

EXHIBIT D

SACO I INC.,
Depositor,
EMC MORTGAGE CORPORATION,
Seller,
WELLS FARGO BANK, NATIONAL ASSOCIATION,
Master Servicer and Securities Administrator,
and
CITIBANK, N.A.
Trustee

POOLING AND SERVICING AGREEMENT

Dated as of March 1, 2007

BEAR STEARNS SECOND LIEN TRUST 2007-SV1
MORTGAGE-BACKED CERTIFICATES, SERIES 2007-SV1

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POOLING AND SERVICING AGREEMENT, dated as of March 1, 2007, among SACO I INC, a Delaware corporation, as depositor (the “Depositor”), EMC MORTGAGE CORPORATION, a Delaware corporation, as seller (in such capacity, “EMC” or the “Seller”), WELLS FARGO BANK, NATIONAL ASSOCIATION, a national banking association, as master servicer (in such capacity, the “Master Servicer”) and as securities administrator (in such capacity, the “Securities Administrator”), and CITIBANK, N.A., a national banking association, as trustee (the “Trustee”).

PRELIMINARY STATEMENT

The Depositor is the owner of the Trust Fund that is hereby conveyed to the Trustee in return for the Certificates. On or prior to the Closing Date, the Depositor acquired the Mortgage Loans from the Seller. On the Closing Date, the Depositor will sell the Mortgage Loans and certain other property to the Trust Fund and receive in consideration therefor Certificates evidencing the entire beneficial ownership interest in the Trust Fund.

REMIC I

As provided herein, the Securities Administrator, on behalf of the Trustee will elect to treat the segregated pool of assets consisting of the Mortgage Loans and certain other related assets subject to this Agreement (other than the Reserve Fund, any Prepayment Charge Waiver Amounts and, for the avoidance of doubt, the Supplemental Interest Trust, the Swap Agreement, the Swap Account, the Credit Support Account and any rights or obligations in respect of the Swap Administration Agreement) as a REMIC (as defined herein) for federal income tax purposes, and such segregated pool of assets will be designated as “REMIC I”. The Class R-1 Certificates will represent the sole class of Residual Interests (as defined herein) in REMIC I for purposes of the REMIC Provisions (as defined herein). The following table irrevocably sets forth the designation, the Uncertificated REMIC I Pass-Through Rate, the initial Uncertificated Principal Balance and, for purposes of satisfying Treasury Regulation Section 1.860G-1(a)(4)(iii), the “latest possible maturity date” for each of the REMIC I Regular Interests (as defined herein). None of the REMIC I Regular Interests will be certificated.

Designation	Uncertificated REMIC I Pass-Through Rate	Initial Uncertificated Principal Balance	Latest Possible Maturity Date ⁽¹⁾
I-1-A	Variable ⁽²⁾	\$ 21,627,632.83	December 25, 2036
I-1-B	Variable ⁽²⁾	\$ 21,627,632.83	December 25, 2036
I-2-A	Variable ⁽²⁾	\$ 20,974,567.80	December 25, 2036
I-2-B	Variable ⁽²⁾	\$ 20,974,567.80	December 25, 2036
I-3-A	Variable ⁽²⁾	\$ 20,341,061.13	December 25, 2036
I-3-B	Variable ⁽²⁾	\$ 20,341,061.13	December 25, 2036
I-4-A	Variable ⁽²⁾	\$ 19,726,530.36	December 25, 2036
I-4-B	Variable ⁽²⁾	\$ 19,726,530.36	December 25, 2036
I-5-A	Variable ⁽²⁾	\$ 19,130,410.47	December 25, 2036
I-5-B	Variable ⁽²⁾	\$ 19,130,410.47	December 25, 2036
I-6-A	Variable ⁽²⁾	\$ 18,552,153.18	December 25, 2036
I-6-B	Variable ⁽²⁾	\$ 18,552,153.18	December 25, 2036
I-7-A	Variable ⁽²⁾	\$ 17,991,226.45	December 25, 2036
I-7-B	Variable ⁽²⁾	\$ 17,991,226.45	December 25, 2036

I-8-A	Variable ⁽²⁾	\$	17,447,114.08	December 25, 2036
I-8-B	Variable ⁽²⁾	\$	17,447,114.08	December 25, 2036
I-9-A	Variable ⁽²⁾	\$	16,919,315.11	December 25, 2036
I-9-B	Variable ⁽²⁾	\$	16,919,315.11	December 25, 2036
I-10-A	Variable ⁽²⁾	\$	16,407,343.48	December 25, 2036
I-10-B	Variable ⁽²⁾	\$	16,407,343.48	December 25, 2036
I-11-A	Variable ⁽²⁾	\$	15,910,727.50	December 25, 2036
I-11-B	Variable ⁽²⁾	\$	15,910,727.50	December 25, 2036
I-12-A	Variable ⁽²⁾	\$	15,429,009.55	December 25, 2036
I-12-B	Variable ⁽²⁾	\$	15,429,009.55	December 25, 2036
I-13-A	Variable ⁽²⁾	\$	14,961,745.51	December 25, 2036
I-13-B	Variable ⁽²⁾	\$	14,961,745.51	December 25, 2036
I-14-A	Variable ⁽²⁾	\$	14,508,504.49	December 25, 2036
I-14-B	Variable ⁽²⁾	\$	14,508,504.49	December 25, 2036
I-15-A	Variable ⁽²⁾	\$	14,068,868.35	December 25, 2036
I-15-B	Variable ⁽²⁾	\$	14,068,868.35	December 25, 2036
I-16-A	Variable ⁽²⁾	\$	13,642,431.39	December 25, 2036
I-16-B	Variable ⁽²⁾	\$	13,642,431.39	December 25, 2036
I-17-A	Variable ⁽²⁾	\$	13,228,799.93	December 25, 2036
I-17-B	Variable ⁽²⁾	\$	13,228,799.93	December 25, 2036
I-18-A	Variable ⁽²⁾	\$	12,827,591.98	December 25, 2036
I-18-B	Variable ⁽²⁾	\$	12,827,591.98	December 25, 2036
I-19-A	Variable ⁽²⁾	\$	12,438,436.91	December 25, 2036
I-19-B	Variable ⁽²⁾	\$	12,438,436.91	December 25, 2036
I-20-A	Variable ⁽²⁾	\$	12,060,975.05	December 25, 2036
I-20-B	Variable ⁽²⁾	\$	12,060,975.05	December 25, 2036
I-21-A	Variable ⁽²⁾	\$	11,694,857.46	December 25, 2036
I-21-B	Variable ⁽²⁾	\$	11,694,857.46	December 25, 2036
I-22-A	Variable ⁽²⁾	\$	11,339,745.52	December 25, 2036
I-22-B	Variable ⁽²⁾	\$	11,339,745.52	December 25, 2036
I-23-A	Variable ⁽²⁾	\$	10,995,310.70	December 25, 2036
I-23-B	Variable ⁽²⁾	\$	10,995,310.70	December 25, 2036
I-24-A	Variable ⁽²⁾	\$	10,661,234.22	December 25, 2036
I-24-B	Variable ⁽²⁾	\$	10,661,234.22	December 25, 2036
I-25-A	Variable ⁽²⁾	\$	10,337,206.75	December 25, 2036
I-25-B	Variable ⁽²⁾	\$	10,337,206.75	December 25, 2036
I-26-A	Variable ⁽²⁾	\$	10,022,928.16	December 25, 2036
I-26-B	Variable ⁽²⁾	\$	10,022,928.16	December 25, 2036
I-27-A	Variable ⁽²⁾	\$	9,718,107.26	December 25, 2036
I-27-B	Variable ⁽²⁾	\$	9,718,107.26	December 25, 2036
I-28-A	Variable ⁽²⁾	\$	9,422,461.48	December 25, 2036
I-28-B	Variable ⁽²⁾	\$	9,422,461.48	December 25, 2036
I-29-A	Variable ⁽²⁾	\$	9,135,716.68	December 25, 2036
I-29-B	Variable ⁽²⁾	\$	9,135,716.68	December 25, 2036
I-30-A	Variable ⁽²⁾	\$	8,857,606.83	December 25, 2036
I-30-B	Variable ⁽²⁾	\$	8,857,606.83	December 25, 2036
I-31-A	Variable ⁽²⁾	\$	8,587,873.85	December 25, 2036
I-31-B	Variable ⁽²⁾	\$	8,587,873.85	December 25, 2036
I-32-A	Variable ⁽²⁾	\$	8,326,267.29	December 25, 2036
I-32-B	Variable ⁽²⁾	\$	8,326,267.29	December 25, 2036
I-33-A	Variable ⁽²⁾	\$	8,072,544.19	December 25, 2036

I-33-B	Variable ⁽²⁾	\$	8,072,544.19	December 25, 2036
I-34-A	Variable ⁽²⁾	\$	7,826,468.79	December 25, 2036
I-34-B	Variable ⁽²⁾	\$	7,826,468.79	December 25, 2036
I-35-A	Variable ⁽²⁾	\$	7,587,812.33	December 25, 2036
I-35-B	Variable ⁽²⁾	\$	7,587,812.33	December 25, 2036
I-36-A	Variable ⁽²⁾	\$	7,356,352.90	December 25, 2036
I-36-B	Variable ⁽²⁾	\$	7,356,352.90	December 25, 2036
I-37-A	Variable ⁽²⁾	\$	7,131,875.13	December 25, 2036
I-37-B	Variable ⁽²⁾	\$	7,131,875.13	December 25, 2036
I-38-A	Variable ⁽²⁾	\$	6,914,170.10	December 25, 2036
I-38-B	Variable ⁽²⁾	\$	6,914,170.10	December 25, 2036
I-39-A	Variable ⁽²⁾	\$	6,703,035.12	December 25, 2036
I-39-B	Variable ⁽²⁾	\$	6,703,035.12	December 25, 2036
I-40-A	Variable ⁽²⁾	\$	6,498,273.47	December 25, 2036
I-40-B	Variable ⁽²⁾	\$	6,498,273.47	December 25, 2036
I-41-A	Variable ⁽²⁾	\$	6,299,694.35	December 25, 2036
I-41-B	Variable ⁽²⁾	\$	6,299,694.35	December 25, 2036
I-42-A	Variable ⁽²⁾	\$	6,107,112.61	December 25, 2036
I-42-B	Variable ⁽²⁾	\$	6,107,112.61	December 25, 2036
I-43-A	Variable ⁽²⁾	\$	5,920,348.60	December 25, 2036
I-43-B	Variable ⁽²⁾	\$	5,920,348.60	December 25, 2036
I-44-A	Variable ⁽²⁾	\$	5,739,228.05	December 25, 2036
I-44-B	Variable ⁽²⁾	\$	5,739,228.05	December 25, 2036
I-45-A	Variable ⁽²⁾	\$	178,475,888.85	December 25, 2036
I-45-B	Variable ⁽²⁾	\$	178,475,888.85	December 25, 2036

⁽¹⁾ For purposes of Section 1.860G-1(a)(4)(iii) of the Treasury regulations, the Distribution Date in the month following the maturity date for the Mortgage Loan with the latest maturity date has been designated as the “latest possible maturity date” for each REMIC I Regular Interest.

⁽²⁾ Calculated in accordance with the definition of “Uncertificated REMIC I Pass-Through Rate” herein.

REMIC II

As provided herein, the Securities Administrator on behalf of the Trustee will elect to treat the segregated pool of assets consisting of the REMIC I Regular Interests as a REMIC for federal income tax purposes, and such segregated pool of assets will be designated as “REMIC II”. The Class R-2 Certificates will represent the sole class of Residual Interests in REMIC II for purposes of the REMIC Provisions. The following table irrevocably sets forth the designation, the Uncertificated REMIC II Pass-Through Rate, the initial Uncertificated Principal Balance and, for purposes of satisfying Treasury Regulation Section 1.860G-1(a)(4)(iii), the “latest possible maturity date” for each of the REMIC II Regular Interests (as defined herein). None of the REMIC II Regular Interests will be certificated.

Designation	Uncertificated REMIC II Pass-Through Rate	Initial Uncertificated Principal Balance	Latest Possible Maturity Date ⁽¹⁾
AA	Variable ⁽²⁾	\$ 1,387,536,069.71	December 25, 2036
A-1	Variable ⁽²⁾	\$ 6,780,890.00	December 25, 2036
A-2	Variable ⁽²⁾	\$ 1,961,920.00	December 25, 2036

A-3	Variable ⁽²⁾	\$	1,600,000.00	December 25, 2036
M-1	Variable ⁽²⁾	\$	658,370.00	December 25, 2036
M-2	Variable ⁽²⁾	\$	453,070.00	December 25, 2036
M-3	Variable ⁽²⁾	\$	276,090.00	December 25, 2036
M-4	Variable ⁽²⁾	\$	254,850.00	December 25, 2036
M-5	Variable ⁽²⁾	\$	240,700.00	December 25, 2036
M-6	Variable ⁽²⁾	\$	240,700.00	December 25, 2036
B-1	Variable ⁽²⁾	\$	233,620.00	December 25, 2036
B-2	Variable ⁽²⁾	\$	212,380.00	December 25, 2036
B-3	Variable ⁽²⁾	\$	176,980.00	December 25, 2036
B-4	Variable ⁽²⁾	\$	176,980.00	December 25, 2036
ZZ	Variable ⁽²⁾	\$	15,050,512.65	December 25, 2036
IO	⁽²⁾		⁽³⁾	December 25, 2036

⁽¹⁾ For purposes of Section 1.860G-1(a)(4)(iii) of the Treasury regulations, the Distribution Date in the month following the maturity date for the Mortgage Loan with the latest maturity date has been designated as the “latest possible maturity date” for each REMIC II Regular Interest

⁽²⁾ Calculated in accordance with the definition of “Uncertificated REMIC II Pass-Through Rate” herein.

⁽³⁾ REMIC II Regular Interest IO will not have an Uncertificated Principal Balance but will accrue interest on its uncertificated notional amount calculated in accordance with the definition of “Uncertificated Notional Amount” herein.

CERTIFICATES

As provided herein, the Securities Administrator on behalf of the Trustee will elect to treat the segregated pool of assets consisting of the REMIC II Regular Interests as a REMIC for federal income tax purposes, and such segregated pool of assets will be designated as “REMIC III”. The Class R-3 Certificates will represent the sole class of Residual Interests in REMIC III for purposes of the REMIC Provisions.

The following table irrevocably sets forth the designation, Pass-Through Rate, Initial Certificate Principal Balance (or initial Uncertificated Principal Balance, in the case of the Class C Interest and the Class IO Interest) and, for purposes of satisfying Treasury Regulation Section 1.860G-1(a)(4)(iii), the “latest possible maturity date” for each class of Certificates and interests that represents ownership of one or more of the Regular Interests in REMIC III created hereunder. The Trust Fund will also issue the Class X Certificates, as designated below, which will not represent a Regular Interest in any REMIC created hereunder.

Each Certificate, other than the Class C, Class X and Class R Certificates, represents ownership of one or more Regular Interests in REMIC III and also represents (i) the right to receive certain amounts specified herein in respect of Basis Risk Shortfall Carry Forward Amounts (as defined herein) and (ii) the obligation to pay Class IO Distribution Amounts (as defined herein). The entitlement to principal of each Regular Interest which corresponds to each Certificate shall be equal in amount and timing to the entitlement to principal of such Certificate.

Designation	Pass-Through Rate	Initial Certificate or Uncertificated Principal Balance	Latest Possible Maturity Date ⁽¹⁾
A-1 ⁽²⁾	Variable ⁽³⁾	678,089,000.00	December 25, 2036
A-2 ⁽²⁾	Variable ⁽³⁾	196,192,000.00	December 25, 2036
A-3 ⁽²⁾	Variable ⁽³⁾	160,000,000.00	December 25, 2036
M-1 ⁽²⁾	Variable ⁽³⁾	65,837,000.00	December 25, 2036
M-2 ⁽²⁾	Variable ⁽³⁾	45,307,000.00	December 25, 2036
M-3 ⁽²⁾	Variable ⁽³⁾	27,609,000.00	December 25, 2036
M-4 ⁽²⁾	Variable ⁽³⁾	25,485,000.00	December 25, 2036
M-5 ⁽²⁾	Variable ⁽³⁾	24,070,000.00	December 25, 2036
M-6 ⁽²⁾	Variable ⁽³⁾	24,070,000.00	December 25, 2036
B-1 ⁽²⁾	Variable ⁽³⁾	23,362,000.00	December 25, 2036
B-2 ⁽²⁾	Variable ⁽³⁾	21,238,000.00	December 25, 2036
B-3 ⁽²⁾	Variable ⁽³⁾	17,698,000.00	December 25, 2036
B-4 ⁽²⁾	Variable ⁽³⁾	17,698,000.00	December 25, 2036
Class C Interest	Variable ⁽³⁾⁽⁴⁾	89,198,132.36	December 25, 2036
Class IO Interest	⁽⁵⁾	⁽⁶⁾	December 25, 2036
X	N/A	N/A	December 25, 2036

⁽¹⁾ For purposes of Section 1.860G-1(a)(4)(iii) of the Treasury regulations, the Distribution Date in the month following the maturity date for the Mortgage Loan with the latest maturity date has been designated as the “latest possible maturity date” for each REMIC III Regular Interest (as defined herein).

⁽²⁾ This Class of Certificates represents ownership of a Regular Interest in REMIC III. Any amount distributed on this Class of Certificates on any Distribution Date in excess of the amount distributable on the related Regular Interest in REMIC III on such Distribution Date shall be treated for federal income tax purposes as having been paid from the Reserve Fund or the Supplemental Interest Trust, as applicable, and any amount distributable on the related Regular Interest in REMIC III on such Distribution Date in excess of the amount distributable on such Class of Certificates on such Distribution Date shall be treated for such purposes as having been distributed to the Holders of such Certificates and then paid by such Holders to the Supplemental Interest Trust, all pursuant to and as further provided in Section 4.12 hereof.

⁽³⁾ Calculated in accordance with the definition of “Pass-Through Rate” herein. Each Regular Interest in REMIC III which corresponds to a Class A, Class M or Class B Certificate will have the same Pass-Through Rate as such Certificate, except with respect to the related Net WAC Cap Rate. The Net WAC Cap Rate for each such Regular Interest in REMIC III and Certificate is specified in the definition of “Net WAC Cap Rate.”

⁽⁴⁾ The Class C Interest will not accrue interest on its Uncertificated Principal Balance, but will accrue interest on its uncertificated notional amount calculated in accordance with the definition of “Uncertificated Notional Amount” herein.

⁽⁵⁾ For federal income tax purposes, the Class IO Interest will not have a Pass-Through Rate, but will be entitled to 100% of the amounts distributed on REMIC II Regular Interest IO.

⁽⁶⁾ For federal income tax purposes, the Class IO Interest will not have an Uncertificated Principal Balance, but will have a notional amount equal to the Uncertificated Notional Amount of REMIC II Regular Interest IO.

REMIC IV

As provided herein, the Securities Administrator on behalf of the Trustee will elect to treat the segregated pool of assets consisting of the Class C Interest as a REMIC for federal income tax purposes, and such segregated pool of assets will be designated as “REMIC IV”. The Class R-4 Interest represents the sole class of Residual Interests in REMIC IV for purposes of the REMIC Provisions.

The following table sets forth the Class designation, Pass-Through Rate, Initial Certificate Principal Balance and, for purposes of satisfying Treasury Regulation Section 1.860G-1(a)(4)(iii), the “latest possible maturity date” for the indicated Class of Certificates that represents a Regular Interest in REMIC IV created hereunder. Each Class C Certificate represents ownership of a Regular Interest in REMIC IV and also represents (i) the obligation to pay certain amounts specified herein in respect of Basis Risk Shortfall Carry Forward Amounts and (ii) the right to receive Class IO Distribution Amounts.

Class Designation	Pass-Through Rate	Initial Certificate Principal Balance	Latest Possible Maturity Date ⁽¹⁾
C	Variable ⁽²⁾	89,198,132.36	December 25, 2036

⁽¹⁾ For purposes of Section 1.860G-1(a)(4)(iii) of the Treasury regulations, the Distribution Date in the month following the maturity date for the Mortgage Loan with the latest maturity date has been designated as the “latest possible maturity date” for the Class C Certificates.

⁽²⁾ The Class C Certificates will not accrue interest on its Uncertificated Principal Balance, but will receive 100% of the amounts received in respect of the Class C Interest.

REMIC V

As provided herein, the Securities Administrator on behalf of the Trustee shall elect to treat the segregated pool of assets consisting of the Class IO Interest as a REMIC for federal income tax purposes, and such segregated pool of assets will be designated as “REMIC V”. The Class R-5 Interest represents the sole class of Residual Interests in REMIC V for purposes of the REMIC Provisions.

The following table sets forth the designation, Pass-Through Rate, initial Uncertificated Principal Balance and, for purposes of satisfying Treasury Regulation Section 1.860G-1(a)(4)(iii), the “latest possible maturity date” for the indicated class of interests that represents a Regular Interest in REMIC VI created hereunder:

Designation	Pass-Through Rate	Initial Uncertificated Principal Balance	Latest Possible Maturity Date ⁽¹⁾
IO ⁽²⁾	⁽³⁾	⁽⁴⁾	December 25, 2036

⁽¹⁾ For purposes of Section 1.860G-1(a)(4)(iii) of the Treasury regulations, the Distribution Date in the month following the maturity date for the Mortgage Loan with the latest maturity date has been designated as the “latest possible maturity date” for REMIC V Regular Interest IO.

- (2) REMIC V Regular Interest IO will be held as an asset of the Supplemental Interest Trust.
- (3) REMIC V Regular Interest IO will not have a Pass-Through Rate, but will receive 100% of the amounts received in respect of the Class IO Interest.
- (4) REMIC V Regular Interest IO will not have an Uncertificated Principal Balance, but will have a notional amount equal to the Uncertificated Notional Amount of the Class IO Interest.

The Trust Fund shall be named, and may be referred to as, the “Bear Stearns Second Lien Trust 2007-SV1.” The Certificates issued hereunder may be referred to as “Mortgage-Backed Certificates, Series 2007-SV1” (including for purposes of any endorsement or assignment of a Mortgage Note or Mortgage).

In consideration of the mutual agreements herein contained, the Depositor, the Master Servicer, the Securities Administrator, the Seller and the Trustee agree as follows:

ARTICLE I

DEFINITIONS

Section 1.01 Defined Terms.

Whenever used in this Agreement, the following words and phrases, unless otherwise expressly provided or unless the context otherwise requires, shall have the meanings specified in this Article.

Accepted Master Servicing Practices: With respect to any Mortgage Loan, those customary mortgage master servicing practices of prudent mortgage master servicing institutions that master service mortgage loans, of the same type and quality as such Mortgage Loan in the jurisdiction where the related Mortgaged Property is located, to the extent applicable to the Master Servicer.

Account: The Distribution Account, the Credit Support Account, the Reserve Fund, the Swap Account and any Protected Account.

Accrual Period: With respect to the Class A, Class M and Class B Certificates and any Distribution Date, the period from and including the immediately preceding Distribution Date (or with respect to the first Accrual Period, the Closing Date) to and including the day prior to such Distribution Date. With respect to the Class C Certificates and the Class C Interest and any Distribution Date, the calendar month immediately preceding such Distribution Date. All calculations of interest on the Class A, Class M and Class B Certificates will be made on the basis of the actual number of days elapsed in the related Accrual Period. All calculations of interest on the Class C Certificates and the Class C Interest will be made on the basis of a 360-day year consisting of twelve 30-day months.

Advance: An advance of delinquent payments of principal and interest in respect of a Mortgage Loan required to be made by the Master Servicer as provided in Section 6.01(b) hereof and by each Servicer as provided in the related Servicing Agreement.

Affected Party: An "Affected Party" as defined in the Swap Agreement.

Agreement: This Pooling and Servicing Agreement and any and all amendments or supplements hereto made in accordance with the terms herein.

Annual Statement of Compliance: As defined in Section 4.16.

Applied Realized Loss Amount: With respect to any Distribution Date and any Class of Class A, Class M and Class B Certificates, the sum of the Realized Losses with respect to the Mortgage Loans that have been applied in reduction of the Certificate Principal Balance of a Class of Certificates pursuant to Section 6.05 of this Agreement which have not previously been reimbursed or reduced by any Subsequent Recoveries applied to such Applied Realized Loss Amount.

Appraised Value: With respect to any Mortgage Loan originated in connection with a refinancing, the appraised value of the Mortgaged Property based upon the appraisal made at the time of such refinancing or, with respect to any other Mortgage Loan, the lesser of (x) the appraised value of the Mortgaged Property based upon the appraisal made by a fee appraiser at the time of the origination of the related Mortgage Loan, and (y) the sales price of the Mortgaged Property at the time of such origination.

Assignment Agreement: Shall mean any of the GMAC Assignment Agreement or the PHH Assignment Agreement.

Avoided Payment: As defined in the Policy.

Basis Risk Shortfall Carry Forward Amount: With respect to any Distribution Date and any Class of Class A, Class M and Class B Certificates, an amount equal to the sum of (A) the excess, if any, of (a) the amount of Current Interest that such Class would have been entitled to receive on such Distribution Date had the Pass-Through Rate applicable to such Class been calculated at a per annum rate equal to lesser of (i) the related One-Month LIBOR Pass-Through Rate and (ii) 11.00% per annum, over (b) the amount of Current Interest that such Class received on such Distribution Date if the Pass-Through Rate is limited to the related Net WAC Cap Rate and (B) the Basis Risk Shortfall Carry Forward Amount for the previous Distribution Date not previously paid, together with interest thereon at a rate equal to the related Pass-Through Rate for the current Distribution Date.

Bankruptcy Code: Title 11 of the United States Code.

Book-Entry Certificates: Any of the Certificates that shall be registered in the name of the Depository or its nominee, the ownership of which is reflected on the books of the Depository or on the books of a person maintaining an account with the Depository (directly, as a "Depository Participant", or indirectly, as an indirect participant in accordance with the rules of the Depository and as described in Section 7.06). As of the Closing Date, each Class of Regular Certificates (other than the Class C Certificates) constitutes a Class of Book-Entry Certificates.

Business Day: Any day other than (i) a Saturday or a Sunday, or (ii) a day on which banking institutions in the City of New York, New York, Columbia, Maryland, Chicago, Illinois, Minneapolis, Minnesota or any city in which the Corporate Trust Office of the Trustee or the Securities Administrator or the principal office of the Master Servicer is located are authorized or obligated by law or executive order to be closed.

Certificate: Any one of the certificates of any Class executed and authenticated by the Securities Administrator in substantially the forms attached hereto as Exhibits A-1 through A-6.

Certificate Insurer: XL Capital Assurance Inc.

Certificate Insurer Default: The existence and continuance of any of the following: (a) a failure by the Certificate Insurer to make a payment required under the Policy in accordance with its terms; or (b) the Certificate Insurer (A) files any petition or commences any case or proceeding under any provision or chapter of the Bankruptcy Code or any other similar federal or state law relating to insolvency, bankruptcy, rehabilitation, liquidation or reorganization, (B)

makes a general assignment for the benefit of its creditors, or (C) has an order for relief entered against it under the Bankruptcy Code or any other similar federal or state law relating to insolvency, bankruptcy, rehabilitation, liquidation or reorganization which is final and nonappealable.

Certificate Margin: With respect to the Class A-1 Certificates, and for purposes of the definition of “One-Month LIBOR Pass-Through Rate”, REMIC II Regular Interest A-1, 0.220% per annum in the case of each Distribution Date through and including the first possible Optional Termination Date and 0.440% per annum in the case of each Distribution Date thereafter.

With respect to the Class A-2 Certificates, and for purposes of the definition of “One-Month LIBOR Pass-Through Rate”, REMIC II Regular Interest A-2, 0.320% per annum in the case of each Distribution Date through and including the first possible Optional Termination Date and 0.640% per annum in the case of each Distribution Date thereafter.

With respect to the Class A-3 Certificates, and for purposes of the definition of “One-Month LIBOR Pass-Through Rate”, REMIC II Regular Interest A-3, 0.250% per annum in the case of each Distribution Date through and including the first possible Optional Termination Date and 0.500% per annum in the case of each Distribution Date thereafter.

With respect to the Class M-1 Certificates, and for purposes of the definition of “One-Month LIBOR Pass-Through Rate”, REMIC II Regular Interest M-1, 0.800% per annum in the case of each Distribution Date through and including the first possible Optional Termination Date and 1.200% per annum in the case of each Distribution Date thereafter.

With respect to the Class M-2 Certificates, and for purposes of the definition of “One-Month LIBOR Pass-Through Rate”, REMIC II Regular Interest M-2, 0.900% per annum in the case of each Distribution Date through and including the first possible Optional Termination Date and 1.350% per annum in the case of each Distribution Date thereafter.

With respect to the Class M-3 Certificates, and for purposes of the definition of “One-Month LIBOR Pass-Through Rate”, REMIC II Regular Interest M-3, 1.100% per annum in the case of each Distribution Date through and including the first possible Optional Termination Date and 1.650% per annum in the case of each Distribution Date thereafter.

With respect to the Class M-4 Certificates, and for purposes of the definition of “One-Month LIBOR Pass-Through Rate”, REMIC II Regular Interest M-4, 2.000% per annum in the case of each Distribution Date through and including the first possible Optional Termination Date and 3.000% per annum in the case of each Distribution Date thereafter.

With respect to the Class M-5 Certificates, and for purposes of the definition of “One-Month LIBOR Pass-Through Rate”, REMIC II Regular Interest M-5, 2.500% per annum in the case of each Distribution Date through and including the first possible Optional Termination Date and 3.750% per annum in the case of each Distribution Date thereafter.

With respect to the Class M-6 Certificates, and for purposes of the definition of “One-Month LIBOR Pass-Through Rate”, REMIC II Regular Interest M-6, 2.500% per annum in the

case of each Distribution Date through and including the first possible Optional Termination Date and 3.750% per annum in the case of each Distribution Date thereafter.

With respect to the Class B-1 Certificates, and for purposes of the definition of “One-Month LIBOR Pass-Through Rate”, REMIC II Regular Interest B-1, 2.500% per annum in the case of each Distribution Date through and including the first possible Optional Termination Date and 3.750% per annum in the case of each Distribution Date thereafter.

With respect to the Class B-2 Certificates, and for purposes of the definition of “One-Month LIBOR Pass-Through Rate”, REMIC II Regular Interest B-2, 2.500% per annum in the case of each Distribution Date through and including the first possible Optional Termination Date and 3.750% per annum in the case of each Distribution Date thereafter.

With respect to the Class B-3 Certificates, and for purposes of the definition of “One-Month LIBOR Pass-Through Rate”, REMIC II Regular Interest B-3, 2.500% per annum in the case of each Distribution Date through and including the first possible Optional Termination Date and 3.750% per annum in the case of each Distribution Date thereafter.

With respect to the Class B-4 Certificates, and for purposes of the definition of “One-Month LIBOR Pass-Through Rate”, REMIC II Regular Interest B-4, 2.500% per annum in the case of each Distribution Date through and including the first possible Optional Termination Date and 3.750% per annum in the case of each Distribution Date thereafter.

Certificate Notional Amount: With respect to the Class C Certificates and any Distribution Date, an amount equal to the Stated Principal Balance of the Mortgage Loans as of the beginning of the related Due Period. The initial Certificate Notional Amount of the Class C Certificates shall be \$1,415,853,132.36. For federal income tax purposes, the Certificate Notional Amount for any Distribution Date shall be an amount equal to the Uncertificated Notional Amount for the Class C Interest for such Distribution Date

Certificate Owner: With respect to a Book-Entry Certificate, the Person that is the beneficial owner of such Book-Entry Certificate.

Certificate Principal Balance: As to any Certificate (other than any Class X, Class C and any Class R Certificate) and as of any Distribution Date, the Initial Certificate Principal Balance of such Certificate plus, in the case of a Class A, Class M or Class B Certificate, any Subsequent Recoveries added to the Certificate Principal Balance of such Certificate pursuant to Section 6.04(b), less the sum of (i) all amounts distributed with respect to such Certificate in reduction of the Certificate Principal Balance thereof on previous Distribution Dates pursuant to Section 6.04, and (ii) any Applied Realized Loss Amounts allocated to such Certificate on previous Distribution Dates. As to the Class C Certificates and as of any Distribution Date, an amount equal to the Uncertificated Principal Balance of the Class C Interest.

Certificate Register: The register maintained pursuant to Section 7.02 hereof.

Certificateholder or Holder: The person in whose name a Certificate is registered in the Certificate Register (initially, Cede & Co., as nominee for the Depository, in the case of any

Book-Entry Certificates), and, with respect to the Class A-2 Certificates and Class A-3 Certificates, the Certificate Insurer to the extent of any Reimbursement Amount.

Class: All Certificates bearing the same Class designation as set forth in Section 7.01 hereof.

Class A Certificates: The Class A-1, Class A-2 and Class A-3 Certificates.

Class A Principal Distribution Amount: For any Distribution Date, an amount equal to the lesser of (x) the Principal Distribution Amount for such Distribution Date and (y) the excess, if any, of (i) the aggregate Certificate Principal Balance of the Class A Certificates immediately prior to such Distribution Date, over (ii) the lesser of (a) the product of (1) 46.10% and (2) the aggregate Stated Principal Balance of the Mortgage Loans as of the last day of the related Due Period (after giving effect to scheduled payments of principal due during the related Due Period, to the extent received or advanced, and unscheduled collections of principal received during the related Prepayment Period, and after reduction for Realized Losses incurred during the prior calendar month), and (b) the aggregate Stated Principal Balance of the Mortgage Loans as of the last day of the related Due Period (after giving effect to scheduled payments of principal due during the related Due Period, to the extent received or advanced, and unscheduled collections of principal received during the related Prepayment Period, and after reduction for Realized Losses incurred during the prior calendar month) minus the Overcollateralization Floor.

Class A-1 Certificate: Any Certificate designated as a "Class A-1 Certificate" on the face thereof, in the form of Exhibit A-1 hereto, representing the right to the Percentage Interest of distributions provided for the Class A-1 Certificates as set forth herein and evidencing (i) a Regular Interest in REMIC III, (ii) the right to receive Basis Risk Shortfall Carry Forward Amounts and (iii) the obligation to pay Class IO Distribution Amounts.

Class A-2 Certificate: Any Certificate designated as a "Class A-2 Certificate" on the face thereof, in the form of Exhibit A-1 hereto, representing the right to the Percentage Interest of distributions provided for the Class A-2 Certificates as set forth herein and evidencing (i) a Regular Interest in REMIC III, (ii) the right to receive Basis Risk Shortfall Carry Forward Amounts and (iii) the obligation to pay Class IO Distribution Amounts.

Class A-3 Certificate: Any Certificate designated as a "Class A-3 Certificate" on the face thereof, in the form of Exhibit A-1 hereto, representing the right to the Percentage Interest of distributions provided for the Class A-3 Certificates as set forth herein and evidencing (i) a Regular Interest in REMIC III, (ii) the right to receive Basis Risk Shortfall Carry Forward Amounts and (iii) the obligation to pay Class IO Distribution Amounts.

Class B Certificates: Any of the Class B-1, Class B-2, Class B-3 or Class B-4 Certificates.

Class B-1 Certificate: Any Certificate designated as a "Class B-1 Certificate" on the face thereof, in the form of Exhibit A-3 hereto, representing the right to its Percentage Interest of distributions provided for the Class B-1 Certificates as set forth herein and evidencing (i) a Regular Interest in REMIC III, (ii) the right to receive Basis Risk Shortfall Carry Forward Amounts and (iii) the obligation to pay Class IO Distribution Amounts.

Class B-1 Principal Distribution Amount: For any Distribution Date, an amount equal to the lesser of (x) the remaining Principal Distribution Amount for such Distribution Date after distribution of the Class A Principal Distribution Amount, the Class M-1 Principal Distribution Amount, the Class M-2 Principal Distribution Amount, the Class M-3 Principal Distribution Amount, the Class M-4 Principal Distribution Amount, the Class M-5 Principal Distribution Amount and the Class M-6 Principal Distribution Amount and (y) the excess, if any, of (a) the sum of (1) the aggregate Certificate Principal Balance of the Class A Certificates (after taking into account the distribution of the Class A Principal Distribution Amount on such Distribution Date), (2) the Certificate Principal Balance of the Class M-1 Certificates (after taking into account the distribution of the Class M-1 Principal Distribution Amount on such Distribution Date), (3) the Certificate Principal Balance of the Class M-2 Certificates (after taking into account the distribution of the Class M-2 Principal Distribution Amount on such Distribution Date), (4) the Certificate Principal Balance of the Class M-3 Certificates (after taking into account the distribution of the Class M-3 Principal Distribution Amount on such Distribution Date), (5) the Certificate Principal Balance of the Class M-4 Certificates (after taking into account the distribution of the Class M-4 Principal Distribution Amount on such Distribution Date), (6) the Certificate Principal Balance of the Class M-5 Certificates (after taking into account the distribution of the Class M-5 Principal Distribution Amount on such Distribution Date), (7) the Certificate Principal Balance of the Class M-6 Certificates (after taking into account the distribution of the Class M-6 Principal Distribution Amount on such Distribution Date) and (8) the Certificate Principal Balance of the Class B-1 Certificates immediately prior to such Distribution Date, over (b) the lesser of (1) the product of (x) 79.40% and (y) the aggregate Stated Principal Balance of the Mortgage Loans as of the last day of the related Due Period (after giving effect to scheduled payments of principal due during the related Due Period, to the extent received or advanced, and unscheduled collections of principal received during the related Prepayment Period, and after reduction for Realized Losses incurred during the prior calendar month), and (2) the aggregate Stated Principal Balance of the Mortgage Loans as of the last day of the related Due Period (after giving effect to scheduled payments of principal due during the related Due Period, to the extent received or advanced, and unscheduled collections of principal received during the related Prepayment Period, and after reduction for Realized Losses incurred during prior calendar month) minus the Overcollateralization Floor.

Class B-2 Certificate: Any Certificate designated as a "Class B-2 Certificate" on the face thereof, in the form of Exhibit A-3 hereto, representing the right to its Percentage Interest of distributions provided for the Class B-2 Certificates as set forth herein and evidencing (i) a Regular Interest in REMIC III, (ii) the right to receive Basis Risk Shortfall Carry Forward Amounts and (iii) the obligation to pay Class IO Distribution Amounts.

Class B-2 Principal Distribution Amount: For any Distribution Date, an amount equal to the lesser of (x) the remaining Principal Distribution Amount for such Distribution Date after distribution of the Class A Principal Distribution Amount, the Class M-1 Principal Distribution Amount, the Class M-2 Principal Distribution Amount, the Class M-3 Principal Distribution Amount, the Class M-4 Principal Distribution Amount, the Class M-5 Principal Distribution Amount, the Class M-6 Principal Distribution Amount and the Class B-1 Principal Distribution Amount and (y) the excess, if any, of (a) the sum of (1) the aggregate Certificate Principal Balance of the Class A Certificates (after taking into account the distribution of the Class A Principal Distribution Amount and on such Distribution Date), (2) the Certificate Principal

Balance of the Class M-1 Certificates (after taking into account the distribution of the Class M-1 Principal Distribution Amount on such Distribution Date), (3) the Certificate Principal Balance of the Class M-2 Certificates (after taking into account the distribution of the Class M-2 Principal Distribution Amount on such Distribution Date), (4) the Certificate Principal Balance of the Class M-3 Certificates (after taking into account the distribution of the Class M-3 Principal Distribution Amount on such Distribution Date), (5) the Certificate Principal Balance of the Class M-4 Certificates (after taking into account the distribution of the Class M-4 Principal Distribution Amount on such Distribution Date), (6) the Certificate Principal Balance of the Class M-5 Certificates (after taking into account the distribution of the Class M-5 Principal Distribution Amount on such Distribution Date), (7) the Certificate Principal Balance of the Class M-6 Certificates (after taking into account the distribution of the Class M-6 Principal Distribution Amount on such Distribution Date), (8) the Certificate Principal Balance of the Class B-1 Certificates (after taking into account the distribution of the Class B-1 Principal Distribution Amount on such Distribution Date) and (9) the Certificate Principal Balance of the Class B-2 Certificates immediately prior to such Distribution Date, over (b) the lesser of (1) the product of (x) 82.40% and (y) the aggregate Stated Principal Balance of the Mortgage Loans as of the last day of the related Due Period (after giving effect to scheduled payments of principal due during the related Due Period, to the extent received or advanced, and unscheduled collections of principal received during the related Prepayment Period, and after reduction for Realized Losses incurred during the prior calendar month), and (2) the aggregate Stated Principal Balance of the Mortgage Loans as of the last day of the related Due Period (after giving effect to scheduled payments of principal due during the related Due Period, to the extent received or advanced, and unscheduled collections of principal received during the related Prepayment Period, and after reduction for Realized Losses incurred during the prior calendar month) minus the Overcollateralization Floor.

Class B-3 Certificate: Any Certificate designated as a “Class B-3 Certificate” on the face thereof, in the form of Exhibit A-3 hereto, representing the right to its Percentage Interest of distributions provided for the Class B-3 Certificates as set forth herein and evidencing (i) a Regular Interest in REMIC III, (ii) the right to receive Basis Risk Shortfall Carry Forward Amounts and (iii) the obligation to pay Class IO Distribution Amounts.

Class B-3 Principal Distribution Amount: For any Distribution Date, an amount equal to the lesser of (x) the remaining Principal Distribution Amount for such Distribution Date after distribution of the Class A Principal Distribution Amount, the Class M-1 Principal Distribution Amount, the Class M-2 Principal Distribution Amount, the Class M-3 Principal Distribution Amount, the Class M-4 Principal Distribution Amount, the Class M-5 Principal Distribution Amount, the Class M-6 Principal Distribution Amount, the Class B-1 Principal Distribution Amount, and the Class B-2 Principal Distribution Amount and (y) the excess, if any, of (a) the sum of (1) the aggregate Certificate Principal Balance of the Class A Certificates (after taking into account the distribution of the Class A Principal Distribution Amount on such Distribution Date), (2) the Certificate Principal Balance of the Class M-1 Certificates (after taking into account the distribution of the Class M-1 Principal Distribution Amount on such Distribution Date), (3) the Certificate Principal Balance of the Class M-2 Certificates (after taking into account the distribution of the Class M-2 Principal Distribution Amount on such Distribution Date), (4) the Certificate Principal Balance of the Class M-3 Certificates (after taking into account the distribution of the Class M-3 Principal Distribution Amount on such Distribution

Date), (5) the Certificate Principal Balance of the Class M-4 Certificates (after taking into account the distribution of the Class M-4 Principal Distribution Amount on such Distribution Date), (6) the Certificate Principal Balance of the Class M-5 Certificates (after taking into account the distribution of the Class M-5 Principal Distribution Amount on such Distribution Date), (7) the Certificate Principal Balance of the Class M-6 Certificates (after taking into account the distribution of the Class M-6 Principal Distribution Amount on such Distribution Date), (8) the Certificate Principal Balance of the Class B-1 Certificates (after taking into account the distribution of the Class B-1 Principal Distribution Amount on such Distribution Date), (9) the Certificate Principal Balance of the Class B-2 Certificates (after taking into account the distribution of the Class B-2 Principal Distribution Amount on such Distribution Date) and (10) the Certificate Principal Balance of the Class B-3 Certificates immediately prior to such Distribution Date, over (b) the lesser of (1) the product of (x) 84.90% and (y) the aggregate Stated Principal Balance of the Mortgage Loans as of the last day of the related Due Period (after giving effect to scheduled payments of principal due during the related Due Period, to the extent received or advanced, and unscheduled collections of principal received during the related Prepayment Period, and after reduction for Realized Losses incurred during the prior calendar month), and (2) the aggregate Stated Principal Balance of the Mortgage Loans as of the last day of the related Due Period (after giving effect to scheduled payments of principal due during the related Due Period, to the extent received or advanced, and unscheduled collections of principal received during the related Prepayment Period, and after reduction for Realized Losses incurred during the prior calendar month) minus the Overcollateralization Floor.

Class B-4 Certificate: Any Certificate designated as a “Class B-4 Certificate” on the face thereof, in the form of Exhibit A-3 hereto, representing the right to its Percentage Interest of distributions provided for the Class B-4 Certificates as set forth herein and evidencing (i) a Regular Interest in REMIC III, (ii) the right to receive Basis Risk Shortfall Carry Forward Amounts and (iii) the obligation to pay Class IO Distribution Amounts.

Class B-4 Principal Distribution Amount: For any Distribution Date, an amount equal to the lesser of (x) the remaining Principal Distribution Amount for such Distribution Date after distribution of the Class A Principal Distribution Amount, the Class M-1 Principal Distribution Amount, the Class M-2 Principal Distribution Amount, the Class M-3 Principal Distribution Amount, the Class M-4 Principal Distribution Amount, the Class M-5 Principal Distribution Amount, the Class M-6 Principal Distribution Amount, the Class B-1 Principal Distribution Amount, the Class B-2 Principal Distribution Amount and the Class B-3 Principal Distribution Amount and (y) the excess, if any, of (a) the sum of (1) the aggregate Certificate Principal Balance of the Class A Certificates (after taking into account the distribution of the Class A Principal Distribution Amount on such Distribution Date), (2) the Certificate Principal Balance of the Class M-1 Certificates (after taking into account the distribution of the Class M-1 Principal Distribution Amount on such Distribution Date), (3) the Certificate Principal Balance of the Class M-2 Certificates (after taking into account the distribution of the Class M-2 Principal Distribution Amount on such Distribution Date), (4) the Certificate Principal Balance of the Class M-3 Certificates (after taking into account the distribution of the Class M-3 Principal Distribution Amount on such Distribution Date), (5) the Certificate Principal Balance of the Class M-4 Certificates (after taking into account the distribution of the Class M-4 Principal Distribution Amount on such Distribution Date), (6) the Certificate Principal Balance of the Class M-5 Certificates (after taking into account the distribution of the Class M-5

Principal Distribution Amount on such Distribution Date), (7) the Certificate Principal Balance of the Class M-6 Certificates (after taking into account the distribution of the Class M-6 Principal Distribution Amount on such Distribution Date), (8) the Certificate Principal Balance of the Class B-1 Certificates (after taking into account the distribution of the Class B-1 Principal Distribution Amount on such Distribution Date), (9) the Certificate Principal Balance of the Class B-2 Certificates (after taking into account the distribution of the Class B-2 Principal Distribution Amount on such Distribution Date), (10) the Certificate Principal Balance of the Class B-3 Certificates (after taking into account the distribution of the Class B-3 Principal Distribution Amount on such Distribution Date) and (11) the Certificate Principal Balance of the Class B-4 Certificates immediately prior to such Distribution Date, over (b) the lesser of (1) the product of (x) 87.40% and (y) the aggregate Stated Principal Balance of the Mortgage Loans as of the last day of the related Due Period (after giving effect to scheduled payments of principal due during the related Due Period, to the extent received or advanced, and unscheduled collections of principal received during the related Prepayment Period, and after reduction for Realized Losses incurred during the prior calendar month), and (2) the aggregate Stated Principal Balance of the Mortgage Loans as of the last day of the related Due Period (after giving effect to scheduled payments of principal due during the related Due Period, to the extent received or advanced, and unscheduled collections of principal received during the related Prepayment Period, and after reduction for Realized Losses incurred during the prior calendar month) minus the Overcollateralization Floor.

Class C Certificate: Any Certificate designated as a "Class C Certificate" on the face thereof, in the form of Exhibit A-4 hereto, representing the right to its Percentage Interest of distributions provided for the Class C Certificates herein and evidencing (i) a Regular Interest in REMIC IV, (ii) the obligation to pay Basis Risk Shortfall Carry Forward Amounts, (iii) the right to receive Class IO Distribution Amounts and (iv) the right to receive any Prepayment Charge Waiver Amounts.

Class C Distribution Amount: With respect to any Distribution Date, the sum of (i) the Current Interest for the Class C Interest for such Distribution Date, (ii) any Overcollateralization Release Amount for such Distribution Date and (iii) without duplication, any Subsequent Recoveries not distributed to the Class A, Class M and Class B Certificates on such Distribution Date; provided, however, that, on any Distribution Date after the Distribution Date on which the Certificate Principal Balances of the Class A, Class M and Class B Certificates have been reduced to zero, the Class C Distribution Amount shall include the Overcollateralization Amount.

Class C Interest: An uncertificated interest in the Trust Fund held by the Trustee on behalf of the Holders of the Class C Certificates, evidencing a Regular Interest in REMIC III for purposes of the REMIC Provisions.

Class IO Distribution Amount: As defined in Section 4.12 hereof. For purposes of clarity, the Class IO Distribution Amount for any Distribution Date shall equal the amount payable to the Swap Administrator on such Distribution Date pursuant to the first and second sentences of Section 4.12(c) in excess of the amount payable on REMIC V Regular Interest IO on such Distribution Date, all as further provided in Section 4.12 hereof.

Class IO Interest: An uncertificated interest in the Trust Fund held by the Trustee on behalf of the holders of REMIC V Regular Interest IO, evidencing a Regular Interest in REMIC III for purposes of the REMIC provisions.

Class M Certificates: Any of the Class M-1, Class M-2, Class M-3, Class M-4, Class M-5 and Class M-6 Certificates.

Class M-1 Certificate: Any Certificate designated as a "Class M-1 Certificate" on the face thereof, in the form of Exhibit A-2 hereto, representing the right to its Percentage Interest of distributions provided for the Class M-1 Certificates as set forth herein and evidencing (i) a Regular Interest in REMIC III, (ii) the right to receive Basis Risk Shortfall Carry Forward Amounts and (iii) the obligation to pay Class IO Distribution Amounts.

Class M-1 Principal Distribution Amount: For any Distribution Date, an amount equal to the lesser of (x) the remaining Principal Distribution Amount for such Distribution Date after distribution of the Class A Principal Distribution Amount and (y) the excess, if any, of (a) the sum of (1) the aggregate Certificate Principal Balance of the Class A Certificates (after taking into account the distribution of the Class A Principal Distribution Amount on such Distribution Date) and (2) the Certificate Principal Balance of the Class M-1 Certificates immediately prior to such Distribution Date, over (b) the lesser of (1) the product of (x) 55.40% and (y) the aggregate Stated Principal Balance of the Mortgage Loans as of the last day of the related Due Period (after giving effect to scheduled payments of principal due during the related Due Period, to the extent received or advanced, and unscheduled collections of principal received during the related Prepayment Period, and after reduction for Realized Losses incurred during the prior calendar month), and (2) the aggregate Stated Principal Balance of the Mortgage Loans as of the last day of the related Due Period (after giving effect to scheduled payments of principal due during the related Due Period, to the extent received or advanced, and unscheduled collections of principal received during the related Prepayment Period, and after reduction for Realized Losses incurred during the prior calendar month) minus the Overcollateralization Floor.

Class M-2 Certificate: Any Certificate designated as a "Class M-2 Certificate" on the face thereof, in the form of Exhibit A-2 hereto, representing the right to its Percentage Interest of distributions provided for the Class M-2 Certificates as set forth herein and evidencing (i) a Regular Interest in REMIC III, (ii) the right to receive Basis Risk Shortfall Carry Forward Amounts and (iii) the obligation to pay Class IO Distribution Amounts.

Class M-2 Principal Distribution Amount: For any Distribution Date, an amount equal to the lesser of (x) the remaining Principal Distribution Amount for such Distribution Date after distribution of the Class A Principal Distribution Amount and the Class M-1 Principal Distribution Amount and (y) the excess, if any, of (a) the sum of (1) the aggregate Certificate Principal Balance of the Class A Certificates (after taking into account the distribution of the Class A Principal Distribution Amount on such Distribution Date), (2) the Certificate Principal Balance of the Class M-1 Certificates (after taking into account the distribution of the Class M-1 Principal Distribution Amount on such Distribution Date) and (3) the Certificate Principal Balance of the Class M-2 Certificates immediately prior to such Distribution Date, over (b) the lesser of (1) the product of (x) 61.80% and (y) the aggregate Stated Principal Balance of the Mortgage Loans as of the last day of the related Due Period (after giving effect to scheduled

payments of principal due during the related Due Period, to the extent received or advanced, and unscheduled collections of principal received during the related Prepayment Period, and after reduction for Realized Losses incurred during the prior calendar month), and (2) the aggregate Stated Principal Balance of the Mortgage Loans as of the last day of the related Due Period (after giving effect to scheduled payments of principal due during the related Due Period, to the extent received or advanced, and unscheduled collections of principal received during the related Prepayment Period, and after reduction for Realized Losses incurred during the prior calendar month) minus the Overcollateralization Floor.

Class M-3 Certificate: Any Certificate designated as a “Class M-3 Certificate” on the face thereof, in the form of Exhibit A-2 hereto, representing the right to its Percentage Interest of distributions provided for the Class M-3 Certificates as set forth herein and evidencing (i) a Regular Interest in REMIC III, (ii) the right to receive Basis Risk Shortfall Carry Forward Amounts and (iii) the obligation to pay Class IO Distribution Amounts.

Class M-3 Principal Distribution Amount: For any Distribution Date, an amount equal to the lesser of (x) the remaining Principal Distribution Amount for such Distribution Date after distribution of the Class A Principal Distribution Amount, the Class M-1 Principal Distribution Amount and the Class M-2 Principal Distribution Amount and (y) the excess, if any, of (a) the sum of (1) the aggregate Certificate Principal Balance of the Class A Certificates (after taking into account the distribution of the Class A Principal Distribution Amount on such Distribution Date), (2) the Certificate Principal Balance of the Class M-1 Certificates (after taking into account the distribution of the Class M-1 Principal Distribution Amount on such Distribution Date), (3) the Certificate Principal Balance of the Class M-2 Certificates (after taking into account the distribution of the Class M-2 Principal Distribution Amount on such Distribution Date) and (4) the Certificate Principal Balance of the Class M-3 Certificates immediately prior to such Distribution Date, over (b) the lesser of (1) the product of (x) 65.70% and (y) the aggregate Stated Principal Balance of the Mortgage Loans as of the last day of the related Due Period (after giving effect to scheduled payments of principal due during the related Due Period, to the extent received or advanced, and unscheduled collections of principal received during the related Prepayment Period, and after reduction for Realized Losses incurred during the prior calendar month), and (2) the aggregate Stated Principal Balance of the Mortgage Loans as of the last day of the related Due Period (after giving effect to scheduled payments of principal due during the related Due Period, to the extent received or advanced, and unscheduled collections of principal received during the related Prepayment Period, and after reduction for Realized Losses incurred during the prior calendar month) minus the Overcollateralization Floor.

Class M-4 Certificate: Any Certificate designated as a “Class M-4 Certificate” on the face thereof, in the form of Exhibit A-2 hereto, representing the right to its Percentage Interest of distributions provided for the Class M-4 Certificates as set forth herein and evidencing (i) a Regular Interest in REMIC III, (ii) the right to receive Basis Risk Shortfall Carry Forward Amounts and (iii) the obligation to pay Class IO Distribution Amounts.

Class M-4 Principal Distribution Amount: For any Distribution Date, an amount equal to the lesser of (x) the remaining Principal Distribution Amount for such Distribution Date after distribution of the Class A Principal Distribution Amount, the Class M-1 Principal Distribution Amount, the Class M-2 Principal Distribution Amount and the Class M-3 Principal Distribution

Amount and (y) the excess, if any, of (a) the sum of (1) the aggregate Certificate Principal Balance of the Class A Certificates (after taking into account the distribution of the Class A Principal Distribution Amount on such Distribution Date), (2) the Certificate Principal Balance of the Class M-1 Certificates (after taking into account the distribution of the Class M-1 Principal Distribution Amount on such Distribution Date), (3) the Certificate Principal Balance of the Class M-2 Certificates (after taking into account the distribution of the Class M-2 Principal Distribution Amount on such Distribution Date), (4) the Certificate Principal Balance of the Class M-3 Certificates (after taking into account the distribution of the Class M-3 Principal Distribution Amount on such Distribution Date) and (5) the Certificate Principal Balance of the Class M-4 Certificates immediately prior to such Distribution Date, over (b) the lesser of (1) the product of (x) 69.30% and (y) the aggregate Stated Principal Balance of the Mortgage Loans as of the last day of the related Due Period (after giving effect to scheduled payments of principal due during the related Due Period, to the extent received or advanced, and unscheduled collections of principal received during the related Prepayment Period, and after reduction for Realized Losses incurred during the prior calendar month), and (2) the aggregate Stated Principal Balance of the Mortgage Loans as of the last day of the related Due Period (after giving effect to scheduled payments of principal due during the related Due Period, to the extent received or advanced, and unscheduled collections of principal received during the related Prepayment Period, and after reduction for Realized Losses incurred during the prior calendar month) minus the Overcollateralization Floor.

Class M-5 Certificate: Any Certificate designated as a “Class M-5 Certificate” on the face thereof, in the form of Exhibit A-2 hereto, representing the right to its Percentage Interest of distributions provided for the Class M-5 Certificates as set forth herein and evidencing (i) a Regular Interest in REMIC III, (ii) the right to receive Basis Risk Shortfall Carry Forward Amounts and (iii) the obligation to pay Class IO Distribution Amounts.

Class M-5 Principal Distribution Amount: For any Distribution Date, an amount equal to the lesser of (x) the remaining Principal Distribution Amount for such Distribution Date after distribution of the Class A Principal Distribution Amount, the Class M-1 Principal Distribution Amount, the Class M-2 Principal Distribution Amount, the Class M-3 Principal Distribution Amount and the Class M-4 Principal Distribution Amount and (y) the excess, if any, of (a) the sum of (1) the aggregate Certificate Principal Balance of the Class A Certificates (after taking into account the distribution of the Class A Principal Distribution Amount on such Distribution Date), (2) the Certificate Principal Balance of the Class M-1 Certificates (after taking into account the distribution of the Class M-1 Principal Distribution Amount on such Distribution Date), (3) the Certificate Principal Balance of the Class M-2 Certificates (after taking into account the distribution of the Class M-2 Principal Distribution Amount on such Distribution Date), (4) the Certificate Principal Balance of the Class M-3 Certificates (after taking into account the distribution of the Class M-3 Principal Distribution Amount on such Distribution Date), (5) the Certificate Principal Balance of the Class M-4 Certificates (after taking into account the distribution of the Class M-4 Principal Distribution Amount on such Distribution Date) and (6) the Certificate Principal Balance of the Class M-5 Certificates immediately prior to such Distribution Date, over (b) the lesser of (1) the product of (x) 72.70% and (y) the aggregate Stated Principal Balance of the Mortgage Loans as of the last day of the related Due Period (after giving effect to scheduled payments of principal due during the related Due Period, to the extent received or advanced, and unscheduled collections of principal received during the related

Prepayment Period, and after reduction for Realized Losses incurred during the prior calendar month), and (2) the aggregate Stated Principal Balance of the Mortgage Loans as of the last day of the related Due Period (after giving effect to scheduled payments of principal due during the related Due Period, to the extent received or advanced, and unscheduled collections of principal received during the related Prepayment Period, and after reduction for Realized Losses incurred during the prior calendar month) minus the Overcollateralization Floor.

Class M-6 Certificate: Any Certificate designated as a “Class M-6 Certificate” on the face thereof, in the form of Exhibit A-2 hereto, representing the right to its Percentage Interest of distributions provided for the Class M-6 Certificates as set forth herein and evidencing (i) a Regular Interest in REMIC III, (ii) the right to receive Basis Risk Shortfall Carry Forward Amounts and (iii) the obligation to pay Class IO Distribution Amounts.

Class M-6 Principal Distribution Amount: For any Distribution Date, an amount equal to the lesser of (x) the remaining Principal Distribution Amount for such Distribution Date after distribution of the Class A Principal Distribution Amount, the Class M-1 Principal Distribution Amount, the Class M-2 Principal Distribution Amount, the Class M-3 Principal Distribution Amount, the Class M-4 Principal Distribution Amount and the Class M-5 Principal Distribution Amount and (y) the excess, if any, of (a) the sum of (1) the aggregate Certificate Principal Balance of the Class A Certificates (after taking into account the distribution of the Class A Principal Distribution Amount on such Distribution Date), (2) the Certificate Principal Balance of the Class M-1 Certificates (after taking into account the distribution of the Class M-1 Principal Distribution Amount on such Distribution Date), (3) the Certificate Principal Balance of the Class M-2 Certificates (after taking into account the distribution of the Class M-2 Principal Distribution Amount on such Distribution Date), (4) the Certificate Principal Balance of the Class M-3 Certificates (after taking into account the distribution of the Class M-3 Principal Distribution Amount on such Distribution Date), (5) the Certificate Principal Balance of the Class M-4 Certificates (after taking into account the distribution of the Class M-4 Principal Distribution Amount on such Distribution Date), (6) the Certificate Principal Balance of the Class M-5 Certificates (after taking into account the distribution of the Class M-5 Principal Distribution Amount on such Distribution Date) and (7) the Certificate Principal Balance of the Class M-6 Certificates immediately prior to such Distribution Date, over (b) the lesser of (1) the product of (x) 76.10% and (y) the aggregate Stated Principal Balance of the Mortgage Loans as of the last day of the related Due Period (after giving effect to scheduled payments of principal due during the related Due Period, to the extent received or advanced, and unscheduled collections of principal received during the related Prepayment Period, and after reduction for Realized Losses incurred during the prior calendar month), and (2) the aggregate Stated Principal Balance of the Mortgage Loans as of the last day of the related Due Period (after giving effect to scheduled payments of principal due during the related Due Period, to the extent received or advanced, and unscheduled collections of principal received during the related Prepayment Period, and after reduction for Realized Losses incurred during the prior calendar month) minus the Overcollateralization Floor.

Class R Certificate: Any of the Class R-1, Class R-2, Class R-3 or Class RX Certificates.

Class R-1 Certificate: Any Certificate designated a “Class R-1 Certificate” on the face thereof, in the form set forth in Exhibit A-5 hereto, evidencing the Residual Interest in REMIC I

and representing the right to the Percentage Interest of distributions provided for the Class R-1 Certificates as set forth herein.

Class R-2 Certificate: Any Certificate designated a “Class R-2 Certificate” on the face thereof, in the form set forth in Exhibit A-5 hereto, evidencing the Residual Interest in REMIC II and representing the right to the Percentage Interest of distributions provided for the Class R-2 Certificates as set forth herein.

Class R-3 Certificate: Any Certificate designated a “Class R-3 Certificate” on the face thereof, in the form set forth in Exhibit A-5 hereto, evidencing the Residual Interest in REMIC III and representing the right to the Percentage Interest of distributions provided for the Class R-3 Certificates as set forth herein.

Class RX Certificate: Any Certificate designated a “Class RX Certificate” on the face thereof, in the form set forth in Exhibit A-5 hereto, evidencing the ownership of the Class R-4 Interest and Class R-5 Interest and representing the right to the Percentage Interest of distributions provided for the Class RX Certificates as set forth herein.

Class R-4 Interest: The uncertificated Residual Interest in REMIC IV.

Class R-5 Interest: The uncertificated Residual Interest in REMIC V.

Class X Certificate: Any Certificate designated as a “Class X Certificate” on the face thereof, in the form of Exhibit A-6 hereto.

Closing Date: March 30, 2007.

Code: The Internal Revenue Code of 1986, including any successor or amendatory provisions.

Combined Loan-to-Value Ratio: With respect to any Mortgage Loan and as of any date of determination, the fraction (expressed as a percentage) the numerator of which is the sum of (i) original principal balance of the related Mortgage Loan at such date of determination and (ii) the unpaid principal balance of the related first lien Mortgage Loan as of the date of origination of that Mortgage Loan and the denominator of which is the applicable Appraised Value of the related Mortgaged Property at origination.

Compensating Interest: With respect to any Distribution Date, (i) in the case of a Servicer, an amount, not to exceed the Servicing Fee, to be deposited in the Distribution Account by a Servicer with respect to the payment of a Prepayment Interest Shortfall (in the case of each Servicer, related to a prepayment as described in the applicable Servicing Agreement) on a Mortgage Loan subject to this Agreement and (ii) in the case of the Master Servicer, if a Servicer fails to make such payment, an amount not to exceed that portion of the Master Servicing Compensation payable to the Master Servicer to the extent provided in Section 6.02(c) hereof.

Corporate Trust Office: (i) With respect to the Trustee, the designated corporate trust office of the Trustee, currently located at Citibank, N.A., 388 Greenwich Street, 14th Floor, New York, New York 10013, and (ii) with respect to the Securities Administrator, the designated

office of the Securities Administrator currently located at 9062 Old Annapolis Road, Columbia, Maryland 21045 Attention: Corporate Trust Services – Bear Stearns Second Lien Trust 2007-SV1, except for purposes of certificate transfer purposes such term shall mean the office or agency of the Securities Administrator located at Wells Fargo Bank, N.A., Sixth Street and Marquette Avenue, Minneapolis, Minnesota 55479 Attention: Corporate Trust Services – Bear Stearns Second Lien Trust 2007-SV1, or at such other address as the Trustee or Securities Administrator, as applicable, may designate from time to time by notice to the Certificateholders, the Depositor, the Trustee, the Master Servicer, the Securities Administrator and the Seller or at the principal corporate trust office of any successor Trustee.

Corresponding Certificate: With respect to each REMIC II Regular Interest (other than REMIC II Regular Interest IO), the Certificate with the corresponding designation. With respect to each REMIC III Regular Interest (other than the Class C Interest and the Class IO Interest), the related Certificate representing an ownership therein.

Cumulative Realized Loss Percentage: With respect to the Certificates and any Distribution Date, the percentage obtained by dividing (x) the aggregate Realized Losses on the Mortgage Loans incurred since the related Cut-off Date through the end of the related Due Period by (y) the aggregate Stated Principal Balance of the Mortgage Loans as of the related Cut-off Date.

Current Interest: As of any Distribution Date, with respect to the Certificates (other than the Class X Certificates and the Residual Certificates) and interests of each class (other than the Residual Interests), (i) the interest accrued on the Certificate Principal Balance, or Certificate Notional Amount or Uncertificated Notional Amount, as applicable, during the related Accrual Period at the applicable Pass-Through Rate, plus any amount previously distributed with respect to interest for such Certificate or interest that has been recovered as a voidable preference by a trustee in bankruptcy minus (ii) the sum of (a) any Prepayment Interest Shortfall for such Distribution Date, to the extent not covered by Compensating Interest and (b) any Relief Act Interest Shortfalls during the related Due Period, provided, however, that for purposes of calculating Current Interest for any such class, amounts specified in clause (ii) hereof for any such Distribution Date shall be allocated first to the Class C Certificates and the Class C Interest in reduction of amounts otherwise distributable to such Certificates and interest on such Distribution Date and then any excess shall be allocated to each Class of Class A, Class M and Class B Certificates *pro rata* based on the respective amounts of interest accrued pursuant to clause (i) hereof for each such Class on such Distribution Date.

Current Specified Enhancement Percentage: With respect to any Distribution Date, the percentage obtained by dividing (x) the sum of (i) the aggregate Certificate Principal Balance of the Class M Certificates and Class B Certificates and (ii) the Overcollateralization Amount, in each case prior to the distribution of the Principal Distribution Amount on such Distribution Date, by (y) the aggregate Stated Principal Balance of the Mortgage Loans as of the end of the related Due Period (after giving effect to scheduled payments of principal due during the related Due Period, to the extent received or advanced, and unscheduled collections of principal received during the related Prepayment Period, and after reduction for Realized Losses incurred during the prior calendar month).

Custodial Agreement: The Custodial Agreement, dated as of March 30, 2007, among the Depositor, the Seller, the Master Servicer, the Securities Administrator, the Trustee and the Custodian, relating to the Mortgage Loans identified in such Custodial Agreement.

Custodian: Wells Fargo, or any successor custodian appointed pursuant to the provisions hereof and the Custodial Agreement.

Cut-off Date: March 1, 2007.

Cut-off Date Principal Balance: As to any Mortgage Loan, the unpaid principal balance thereof as of the close of business on the Cut-off Date after application of all Principal Prepayments received prior to the Cut-off Date and scheduled payments of principal due on or before the Cut-off Date, whether or not received, but without giving effect to any installments of principal received in respect of Due Dates after the Cut-off Date. The aggregate Cut-off Date Principal Balance of the Mortgage Loans is \$1,415,853,132.36.

Debt Service Reduction: With respect to any Mortgage Loan, a reduction by a court of competent jurisdiction in a proceeding under the Bankruptcy Code in the Scheduled Payment for such Mortgage Loan that became final and non-appealable, except such a reduction resulting from a Deficient Valuation or any other reduction that results in a permanent forgiveness of principal.

Defaulting Party: A "Defaulting Party" as defined in the Swap Agreement.

Deficiency Amount: As defined in the Policy.

Deficient Valuation: With respect to any Mortgage Loan, a valuation by a court of competent jurisdiction of the Mortgaged Property in an amount less than the then outstanding indebtedness under such Mortgage Loan, or any reduction in the amount of principal to be paid in connection with any Scheduled Payment that results in a permanent forgiveness of principal, which valuation or reduction results from an order of such court that is final and non-appealable in a proceeding under the Bankruptcy Code.

Definitive Certificates: As defined in Section 7.06.

Deleted Mortgage Loan: A Mortgage Loan replaced or to be replaced by a Replacement Mortgage Loan.

Delinquent: The delinquency method used for calculations with respect to the Mortgage Loans will be in accordance with the methodology used by lenders regulated by the Office of Thrift Supervision. Under this method, a mortgage loan is considered "30 days or more Delinquent" if the borrower fails to make a scheduled payment prior to the close of business on the mortgage loan's first succeeding due date. For example, if a securitization had a closing date occurring in August and a cut-off date of August 1, a mortgage loan with a payment due on July 1 that remained unpaid as of the close of business on July 31 would not be described as 30 days delinquent as of the cut-off date. Such mortgage loan with a payment due on June 1 that remained unpaid as of the close of business on July 31 would be described as 30 days delinquent as of the cut-off date. A mortgage loan would be considered "60 days or more Delinquent" with

respect to such scheduled payment if such scheduled payment were not made prior to the close of business on the mortgage loan's second succeeding due date (or, in the preceding example, if the mortgage loan with a payment due on May 1 remained unpaid as of the close of business on July 31). Similarly for "90 days or more Delinquent" and so on. Unless otherwise specified, with respect to any date of determination, determinations of delinquency are made as of the last day of the prior calendar month. This method of determining delinquencies is referred to as the OTS method.

Denomination: With respect to each Certificate, the amount set forth on the face thereof as the "Initial Principal Balance or Initial Notional Amount of this Certificate".

Depositor: SACO I Inc., a Delaware corporation, or its successor in interest.

Depository: The initial Depository shall be The Depository Trust Company ("DTC"), the nominee of which is Cede & Co., or any other organization registered as a "clearing agency" pursuant to Section 17A of the Securities Exchange Act of 1934, as amended. The Depository shall initially be the registered Holder of the Book-Entry Certificates. The Depository shall at all times be a "clearing corporation" as defined in Section 8-102(a)(5) of the Uniform Commercial Code of the State of New York.

Depository Agreement: With respect to the Class of Book-Entry Certificates, the agreement between the Issuing Entity and the initial Depository, dated as of the Closing Date, substantially in the form of Exhibit H.

Depository Participant: A broker, dealer, bank or other financial institution or other Person for whom from time to time a Depository effects book-entry transfers and pledges of securities deposited with the Depository.

Designated Depository Institution: A depository institution (commercial bank, federal savings bank, mutual savings bank or savings and loan association) or trust company (which may include the Trustee, the Securities Administrator and the Master Servicer), the deposits of which are fully insured by the FDIC to the extent provided by law.

Determination Date: With respect to any Distribution Date, the 15th day of the month of such Distribution Date or, if such 15th day is not a Business Day, the immediately preceding Business Day.

Distribution Account: The segregated trust account or accounts created and maintained by the Securities Administrator pursuant to Section 5.06 in the name of the Trustee for the benefit of the Certificateholders and the Certificate Insurer, which shall be entitled "Wells Fargo Bank, National Association, as Securities Administrator, on behalf of Citibank, N.A., as Trustee, in trust for the registered holders of Bear Stearns Second Lien Trust 2007-SV1, Mortgage-Backed Certificates, Series 2007-SV1." The Distribution Account must be an Eligible Account.

Distribution Date: The 25th day of each calendar month after the initial issuance of the Certificates, or if such 25th day is not a Business Day, the next succeeding Business Day, commencing in April 2007.

Due Date: As to any Mortgage Loan, the date in each month on which the related Scheduled Payment is due, as set forth in the related Mortgage Note.

Due Period: With respect to any Distribution Date, the period from and including the second day of the calendar month preceding the calendar month in which such Distribution Date occurs through close of business on the first day of the calendar month in which such Distribution Date occurs.

Eligible Account: Any of (i) an account or accounts maintained with a federal or state chartered depository institution or trust company, the long-term unsecured debt obligations and short-term unsecured debt obligations of which (or, in the case of a depository institution or trust company that is the principal subsidiary of a holding company, the debt obligations of such holding company, so long as Moody's is not a Rating Agency) are rated by each Rating Agency in one of its two highest long-term and its highest short-term rating categories, respectively, at the time any amounts are held on deposit therein, or (ii) an account or accounts in a depository institution or trust company in which such accounts are insured by the FDIC (to the limits established by the FDIC) and the uninsured deposits in which accounts are otherwise secured such that, as evidenced by an Opinion of Counsel delivered to and satisfactory to the Trustee, the Securities Administrator, the Certificate Insurer and to each Rating Agency, the Certificateholders have a claim with respect to the funds in such account or a perfected first priority security interest against any collateral (which shall be limited to Permitted Investments) securing such funds that is superior to claims of any other depositors or creditors of the depository institution or trust company in which such account is maintained, or (iii) a trust account or accounts maintained with the corporate trust department of a federal or state chartered depository institution or trust company having capital and surplus of not less than \$50,000,000, acting in its fiduciary capacity or (iv) any other account acceptable to each Rating Agency, as evidenced in writing. Eligible Accounts may bear interest, and may include, if otherwise qualified under this definition, accounts maintained with the Trustee and the Securities Administrator.

EMC: EMC Mortgage Corporation, a Delaware corporation, and its successors and assigns.

ERISA: The Employee Retirement Income Security Act of 1974, as amended.

ERISA Restricted Certificates: Any of the Class C, Class X and Residual Certificates.

Estimated Swap Termination Payment: As specified in the Swap Agreement.

Event of Default: As defined in Section 9.01 hereof.

Excess Cashflow: With respect to any Distribution Date, an amount, if any, equal to the sum of (a) the Remaining Excess Spread for such Distribution Date and (b) the Overcollateralization Release Amount for such Distribution Date.

Excess Liquidation Proceeds: To the extent not required by law to be paid to the related Mortgagor, the excess, if any, of any Liquidation Proceeds with respect to a Mortgage Loan over the Stated Principal Balance of such Mortgage Loan and accrued and unpaid interest at the

related Mortgage Rate through the last day of the month in which the Mortgage Loan has been liquidated.

Exemption: Prohibited Transaction Exemption 90-30, as amended from time to time.

Excess Spread: With respect to any Distribution Date, the excess, if any, of (i) the Interest Funds for such Distribution Date over (ii) the sum of (A) the Premium payable to the Certificate Insurer for such Distribution Date, (B) the Current Interest on the Class A, Class M and Class B Certificates and Interest Carry Forward Amounts on the Class A Certificates (other than Interest Carry Forward Amounts paid pursuant to Section 6.04(a)(4)(A)), in each case for such Distribution Date, and (C) any Reimbursement Amounts payable to the Certificate Insurer for such Distribution Date.

Extra Principal Distribution Amount: With respect to any Distribution Date, the lesser of (i) the excess, if any, of the Overcollateralization Target Amount for such Distribution Date over the Overcollateralization Amount for such Distribution Date (after giving effect to distributions of principal on the Certificates other than any Extra Principal Distribution Amount) and (ii) the Excess Spread for such Distribution Date.

Fannie Mae: Fannie Mae (formerly, Federal National Mortgage Association), or any successor thereto.

FDIC: The Federal Deposit Insurance Corporation, or any successor thereto.

Final Certification: The certification by the Custodian substantially in the form of Exhibit Three to the Custodial Agreement.

Final Recovery Determination: With respect to any defaulted Mortgage Loan or any REO Property (other than a Mortgage Loan or REO Property purchased by the Seller pursuant to or as contemplated by Section 2.03(d) or Section 11.01), a determination made by the applicable Servicer pursuant to the related Servicing Agreement that all Insurance Proceeds, Liquidation Proceeds and other payments or recoveries which such Servicer, in its reasonable good faith judgment, expects to be finally recoverable in respect thereof have been so recovered. The Master Servicer shall maintain records, based solely on information provided by each Servicer, of each Final Recovery Determination made thereby.

Freddie Mac: Federal Home Loan Mortgage Corporation, or any successor thereto.

Global Certificate: Any Private Certificate registered in the name of the Depository or its nominee, beneficial interests in which are reflected on the books of the Depository or on the books of a Person maintaining an account with such Depository (directly or as an indirect participant in accordance with the rules of such depository).

GMAC Mortgage, LLC or GMACM: GMAC Mortgage, LLC and any successor thereto.

GMACM Assignment Agreement: The Assignment, Assumption and Recognition Agreement substantially in the form of Exhibit R-2, dated as of March 30, 2007, among EMC,

the Trustee and GMACM, evidencing the assignment of the GMACM Servicing Agreement to the Trust.

GMACM Loans: Those Mortgage Loans subject to this Agreement which were purchased by the Seller from GMACM pursuant to the GMACM Servicing Agreement.

GMACM Servicing Agreement: The Servicing Agreement, dated as of May 1, 2001, as amended by Amendment No. 1, dated as of October 1, 2001, Amendment No. 2, dated as of July 31, 2002 and Amendment No. 3, dated as of December 20, 2005 substantially in the form of Exhibit R-1, between EMC and GMACM.

Guarantor: As defined in Section 4.12.

Guaranty: As defined in Section 4.12.

Indemnified Persons: The Trustee, the Master Servicer, the Certificate Insurer, the Trust Fund and the Securities Administrator and their respective officers, directors, agents and employees and, with respect to the Trustee, any separate co-trustee and its officers, directors, agents and employees.

Individual Certificate: Any Private Certificate registered in the name of a Holder other than the Depository or its nominee.

Initial Certification: The certification by the Custodian substantially in the form of Exhibit One to the Custodial Agreement.

Initial Certificate Principal Balance: With respect to any Certificate (other than the Class X Certificates), the Certificate Principal Balance of such Certificate or any predecessor Certificate on the Closing Date.

Institutional Accredited Investor: Any Person meeting the requirements of Rule 501(a)(1), (2), (3) or (7) of Regulation D under the Securities Act or any entity all of the equity holders in which come within such paragraphs.

Insurance Agreement: The Insurance and Indemnity Agreement, dated as of March 30, 2007, among the Certificate Insurer, the Seller, the Depositor and the Trustee, including any amendments and supplements thereto in accordance with the terms thereof.

Insurance Policy: With respect to any Mortgage Loan included in the Trust Fund, any insurance policy, including all riders and endorsements thereto in effect with respect to such Mortgage Loan, including any replacement policy or policies for any Insurance Policies.

Insurance Proceeds: Proceeds paid in respect of the Mortgage Loans pursuant to any Insurance Policy and any other insurance policy covering a Mortgage Loan, to the extent such proceeds are payable to the mortgagee under the Mortgage, the related Servicer or the Trustee under the deed of trust and are not applied to the restoration of the related Mortgaged Property or released to the Mortgagor in accordance with the procedures that the related Servicer would

follow in servicing mortgage loans held for its own account, in each case other than any amount included in such Insurance Proceeds in respect of Insured Expenses.

Insured Amount: As defined in the Policy.

Insured Expenses: Expenses covered by any insurance policy with respect to the Mortgage Loans.

Insured Payments: As defined in the Policy.

Interest Carry Forward Amount: As of any Distribution Date and with respect to each Class of Certificates (other than the Class C Certificates and the Residual Certificates), the sum of (i) the excess of (a) the Current Interest for such Class with respect to such Distribution Date and any prior Distribution Dates over (b) the amount actually distributed to such Class of Certificates with respect to interest on such Distribution Dates and (ii) interest thereon (to the extent permitted by applicable law) at the applicable Pass-Through Rate for such Class for the related Accrual Period including the Accrual Period relating to such Distribution Date.

Interest Determination Date: Shall mean the second LIBOR Business Day preceding the commencement of each Accrual Period.

Interest Funds: With respect to any Distribution Date (1) the sum, without duplication, of (a) all scheduled interest during the related Due Period with respect to the Mortgage Loans less the Servicing Fee, if any, (b) all Advances relating to interest with respect to the Mortgage Loans made on or prior to the related Distribution Date, (c) all Compensating Interest with respect to the Mortgage Loans and required to be remitted by the Master Servicer pursuant to this Agreement and by each Servicer pursuant to the related Servicing Agreement with respect to such Distribution Date, (d) Liquidation Proceeds and Subsequent Recoveries with respect to the Mortgage Loans collected during the prior calendar month (to the extent such Liquidation Proceeds and Subsequent Recoveries relate to interest), (e) all amounts relating to interest with respect to each Mortgage Loan repurchased by the Seller pursuant to Sections 2.02 and 2.03, to the extent remitted by the Master Servicer to the Distribution Account pursuant to this Agreement and (f) the interest portion of any proceeds received from the exercise of an Optional Termination, minus (2)(i) all amounts relating to interest required to be reimbursed pursuant to Section 5.07 or as otherwise set forth in this Agreement and (ii) any Net Swap Payment or Swap Termination Payment (not due to a Swap Provider Trigger Event and other than to the extent already paid by the Swap Administrator from any upfront payment received pursuant to any replacement interest rate swap agreement that may be entered into by the Supplemental Interest Trust Trustee) owed to the Swap Administrator for payment to the Swap Provider for such Distribution Date and any such payments remaining unpaid for any prior Distribution Dates.

Interim Certification: The certification by the Custodian substantially in the form of Exhibit Two to the Custodial Agreement.

Issuing Entity: The Trust designated as Bear Stearns Second Lien Trust 2007-SV1.

Last Scheduled Distribution Date: Solely for purposes of the face of the Certificates, the Distribution Date in January 2037.

Late Payment Rate: As defined in the Insurance Agreement.

Latest Possible Maturity Date: The Distribution Date in the month following the final scheduled maturity date of the Mortgage Loan in the Trust Fund having the latest scheduled maturity date as of the Cut-off Date. For purposes of the Treasury regulations under Sections 860A through 860G of the Code, the latest possible maturity date of each Regular Interest issued by REMIC I, REMIC II, REMIC III, REMIC IV and REMIC V shall be the Latest Possible Maturity Date.

LIBOR Business Day: Shall mean a day on which banks are open for dealing in foreign currency and exchange in London and New York City.

Liquidated Loan: With respect to any Distribution Date, a defaulted Mortgage Loan that has been liquidated through deed-in-lieu of foreclosure, foreclosure sale, trustee's sale or other realization as provided by applicable law governing the real property subject to the related Mortgage and any security agreements and as to which the related Servicer has made a Final Recovery Determination with respect thereto.

Liquidation Proceeds: Amounts, other than Insurance Proceeds and Subsequent Recoveries, received in connection with the partial or complete liquidation of a Mortgage Loan, whether through trustee's sale, foreclosure sale or otherwise, or in connection with any condemnation or partial release of a Mortgaged Property and any other proceeds received with respect to an REO Property, less the sum of related unreimbursed Advances, Servicing Fees and Servicing Advances and all expenses of liquidation, including property protection expenses and foreclosure and sale costs, including court and reasonable attorneys fees.

Majority Class C Certificateholder: The Holder of a 50.01% or greater Percentage Interest in the Class C Certificates.

Marker Rate: With respect to the Class C Interest and any Distribution Date, a per annum rate equal to two (2) times the weighted average of the Uncertificated REMIC II Pass-Through Rates for the REMIC II Regular Interests (other than REMIC II Regular Interests AA and IO), with the rate on each such REMIC II Regular Interest (other than REMIC II Regular Interests A-2, A-3 and ZZ) subject to a cap equal to the least of (i) the One-Month LIBOR Pass-Through Rate for the Corresponding Certificate, (ii) 11.00% per annum and (iii) the Net WAC Cap Rate for the REMIC III Regular Interest the ownership of which is represented by the Corresponding Certificate for the purpose of this calculation for such Distribution Date, with the rate on each of the REMIC II Regular Interests A-2 and A-3 subject to a cap equal to the least of (i) the One-Month LIBOR Pass-Through Rate for the Corresponding Certificate, (ii) 11.00% per annum and (iii) the Net WAC Cap Rate for the REMIC III Regular Interest the ownership of which is represented by the Corresponding Certificate for the purpose of this calculation for such Distribution Date, in each case, plus the related Premium Percentage for the Corresponding Certificate, and with the rate on REMIC II Regular Interest ZZ subject to a cap of zero for the purpose of this calculation; provided, however, that solely for this purpose, the related cap with respect to each REMIC II Regular Interest (other than REMIC II Regular Interests AA, ZZ and IO) shall be multiplied by a fraction, the numerator of which is 30 and the denominator of which is the actual number of days in the related Accrual Period.

Master Servicer: Wells Fargo Bank, National Association, in its capacity as master servicer, and its successors and assigns or any Successor Master Servicer appointed as herein provided.

Master Servicing Compensation: As defined in Section 4.09.

Master Servicing Officer: Any officer of the Master Servicer responsible for the master servicing of the Mortgage Loans.

Maximum Probable Exposure: With respect to each Distribution Date and the Swap Agreement, the amount calculated by the Depositor in accordance with the Seller's internal risk management process in respect of similar instruments, such calculation to be performed as agreed by the Securities Administrator and the Depositor.

Maximum Uncertificated Accrued Interest Deferral Amount: With respect to any Distribution Date, the excess of (i) accrued interest at the Uncertificated REMIC II Pass-Through Rate applicable to REMIC II Regular Interest ZZ for such Distribution Date on a balance equal to the Uncertificated Principal Balance of REMIC II Regular Interest ZZ minus the REMIC II Overcollateralization Amount, in each case for such Distribution Date, over (ii) the aggregate amount of Uncertificated Accrued Interest for such Distribution Date on the REMIC II Regular Interests (other than REMIC II Regular Interests AA, ZZ and IO), with the rate on each such REMIC II Regular Interest (other than REMIC II Regular Interests A-2 and A-3) subject to a cap equal to the least of (i) the One-Month LIBOR Pass-Through Rate for the Corresponding Certificate, (ii) 11.00% per annum and (iii) the Net WAC Cap Rate for the REMIC III Regular Interest the ownership of which is represented by the Corresponding Certificate for the purpose of this calculation for such Distribution Date, and with the rate on each of the REMIC II Regular Interests A-2 and A-3 subject to a cap equal to the least of (i) the One-Month LIBOR Pass-Through Rate for the Corresponding Certificate, (ii) 11.00% per annum and (iii) the Net WAC Cap Rate for the REMIC III Regular Interest the ownership of which is represented by the Corresponding Certificate for the purpose of this calculation for such Distribution Date, in each case, plus the related Premium Percentage for the Corresponding Certificate; provided, however, that solely for this purpose, the related cap with respect to each REMIC II Regular Interest (other than REMIC II Regular Interests AA, ZZ and IO) shall be multiplied by a fraction, the numerator of which is 30 and the denominator of which is the actual number of days in the related Accrual Period.

MERS: Mortgage Electronic Registration Systems, Inc., a corporation organized and existing under the laws of the State of Delaware, or any successor thereto.

MERS® System: The system of recording transfers of Mortgages electronically maintained by MERS.

MIN: The Mortgage Identification Number for Mortgage Loans registered with MERS on the MERS® System.

MOM Loan: With respect to any Mortgage Loan, MERS acting as the mortgagee of such Mortgage Loan, solely as nominee for the originator of such Mortgage Loan and its successors and assigns, at the origination thereof.

Monthly Statement: The statement prepared and delivered by the Securities Administrator pursuant to Section 6.06.

Moody's: Moody's Investors Service, Inc., and any successor thereto.

Mortgage: The mortgage, deed of trust or other instrument creating a second lien on or second priority ownership interest in an estate in fee simple in real property securing a Mortgage Note.

Mortgage File: The mortgage documents listed in Section 2.01 hereof pertaining to a particular Mortgage Loan and any additional documents delivered to the Custodian to be added to the Mortgage File pursuant to this Agreement and the Custodial Agreement.

Mortgage Loan Purchase Agreement: The Mortgage Loan Purchase Agreement, dated as of March 30, 2007, between the Seller and the Depositor as purchaser, in the form attached hereto as Exhibit L.

Mortgage Loan Purchase Price: The price, calculated as set forth in Section 11.01, to be paid in connection with the repurchase of the Mortgage Loans pursuant to Section 11.01.

Mortgage Loans: Such of the mortgage loans transferred and assigned to the Trustee pursuant to the provisions hereof, as from time to time are held as a part of the Trust Fund (including any REO Property), notwithstanding foreclosure or other acquisition of title of the related Mortgaged Property.

Mortgage Loan Schedule: The list of Mortgage Loans (as from time to time amended by the Master Servicer to reflect the deletion of Deleted Mortgage Loans and the addition of Replacement Mortgage Loans pursuant to the provisions of this Agreement) transferred to the Trustee as part of the Trust Fund and from time to time subject to this Agreement, the Mortgage Loan Schedule being attached hereto as Exhibit B, with respect to the Mortgage Loans and as amended from time to time to reflect the repurchase or substitution of Mortgage Loans pursuant to this Agreement or the Mortgage Loan Purchase Agreement, as the case may be, setting forth the following information with respect to each Mortgage Loan:

- (a) the city, state and zip code of the Mortgaged Property;
- (b) the property type;
- (c) the occupancy type;
- (d) the credit score of the Mortgagor;
- (e) the Mortgage Interest Rate;
- (f) the Servicing Fee Rate;
- (g) the Net Rate;
- (h) the maturity date;
- (i) the stated original term to maturity;

- (j) the stated remaining term to maturity;
- (k) the original Principal Balance;
- (l) the first payment date;
- (m) the principal and interest payment in effect as of the Cut-off Date;
- (n) the unpaid Principal Balance as of the Cut-off Date;
- (o) the Loan-to-Value Ratio at origination;
- (p) the insurer of any Primary Mortgage Insurance Policy;
- (q) the MIN with respect to each MOM Loan;
- (r) a code indicating whether the Mortgage Loan is negatively amortizing;
- (s) the Prepayment Charge, if any;
- (t) a code indicating whether the Mortgage Loan is has a balloon payment;
- (u) a code indicating whether the Mortgage Loan is an interest-only loan;
- (v) a code indicating whether such Mortgage Loan is a Simple Interest Loan;
- (w) the interest-only term, if applicable;
- (x) the mortgage loan seller; and
- (y) the original amortization term.

Such schedule also shall set forth for all of the Mortgage Loans, the total number of Mortgage Loans, the total of each of the amounts described under (m) and (n) above, the weighted average by principal balance as of the Cut-off Date of each of the rates described under (c) through (h) above, and the weighted average remaining term to maturity by unpaid principal balance as of the Cut-off Date.

Mortgage Note: The original executed note or other evidence of indebtedness of a Mortgagor under a Mortgage Loan.

Mortgage Rate: With respect to each Mortgage Loan, the rate set forth in the related Mortgage Note. With respect to each Mortgage Loan that becomes an REO Property, as of any date of determination, the annual rate determined in accordance with the immediately preceding sentence as of the date such Mortgage Loan became an REO Property.

Mortgaged Property: The underlying property securing a Mortgage Loan.

Mortgagor: The obligors on a Mortgage Note.

Net Mortgage Rate: As to each Mortgage Loan, and at any time, the per annum rate equal to the related Mortgage Rate less the Servicing Fee Rate.

Net Swap Payment: With respect to each Distribution Date, the net payment required to be made pursuant to the terms of the Swap Agreement by either the Swap Provider or the Swap Administrator, which net payment shall not take into account any Swap Termination Payment.

Net WAC Cap Rate: With respect to any Distribution Date and the Class A, Class M and Class B Certificates, the excess, if any, of (A) a per annum rate equal to the product of (x) the weighted average of the Net Mortgage Rates on the then outstanding Mortgage Loans, weighted based on the Stated Principal Balance of the Mortgage Loans as of the related Due Date prior to giving effect to any reduction in the Stated Principal Balances of the Mortgage Loans on such Due Date, minus, in the case of the Class A-2 Certificates and Class A-3 Certificates, the related Premium Percentage payable to the Certificate Insurer, and (y) a fraction, the numerator of which is 30 and the denominator of which is the actual number of days elapsed in the related Accrual Period, over (B) an amount, expressed as a per annum rate, equal to the sum of (i) the Swap Payment payable to the Swap Provider on such Distribution Date and (ii) any Swap Termination Payment not due to a Swap Provider Trigger Event payable to the Swap Provider (other than to the extent already paid by the Swap Administrator from any upfront payment received pursuant to any related replacement interest rate swap agreement that may be entered into by the Supplemental Interest Trust Trustee), divided by the aggregate outstanding Stated Principal Balance of the Mortgage Loans as of the related Due Date prior to giving effect to any reduction in the Stated Principal Balances of such Mortgage Loans on such Due Date, multiplied by 12. For federal income tax purposes, with respect to each Regular Interest the ownership of which is represented by the Class A, Class M and Class B Certificates and any Distribution Date, a per annum rate equal to the weighted average (adjusted for the actual number of days elapsed in the related Accrual Period) of the Uncertificated REMIC II Pass-Through Rates for such Distribution Date for the REMIC II Regular Interests (other than REMIC II Regular Interest IO), weighted on the basis of the Uncertificated Principal Balances of each such REMIC II Regular Interest immediately prior to such Distribution Date, minus, in the case of the Regular Interests the ownership of which is represented by the Class A-2 Certificates and Class A-3 Certificates, the related Premium Percentage for the Corresponding Certificates.

Non-Book-Entry Certificate: Any Certificate other than a Book-Entry Certificate.

Nonrecoverable Advance: Any portion of an Advance previously made or proposed to be made by the Master Servicer pursuant to this Agreement or the related Servicer pursuant to the related Servicing Agreement that, in the good faith judgment of the Master Servicer or the related Servicer, will not or, in the case of a proposed advance, would not, be ultimately recoverable by it from the related Mortgagor, related Liquidation Proceeds, Insurance Proceeds or otherwise.

Notional Amount: With respect to each Distribution Date and the Swap Agreement, the notional amount for the related calculation period as set forth in the related schedule set forth in Exhibit N.

Offered Certificates: Any of the Class A, Class M and Class B Certificates.

Officer's Certificate: A certificate (i) signed by the Chairman of the Board, the Vice Chairman of the Board, the President, a Vice President (however denominated), an Assistant

Vice President, the Treasurer, the Secretary, or one of the assistant treasurers or assistant secretaries of the Depositor, the Seller or the Master Servicer (or any other officer customarily performing functions similar to those performed by any of the above designated officers and also to whom, with respect to a particular matter, such matter is referred because of such officer's knowledge of and familiarity with a particular subject) or (ii), if provided for in this Agreement, signed by a Servicing Officer, as the case may be, and delivered to the Depositor, the Seller, the Certificate Insurer, the Securities Administrator, the Master Servicer and/or the Trustee, as the case may be, as required by this Agreement.

One-Month LIBOR: With respect to any Accrual Period and the Class A, Class M and Class B Certificates, the rate determined by the Securities Administrator on the related Interest Determination Date on the basis of the rate for U.S. dollar deposits for one month that appears on Bloomberg Terminal Telerate Successor Page 3750 as of 11:00 a.m. (London time) on such Interest Determination Date. If such rate does not appear on such page (or such other page as may replace that page on that service, or if such service is no longer offered, such other service for displaying One-Month LIBOR or comparable rates as may be reasonably selected by the Securities Administrator), One-Month LIBOR for the applicable Accrual Period will be the Reference Bank Rate. If no such quotations can be obtained by the Securities Administrator and no Reference Bank Rate is available, One-Month LIBOR will be One-Month LIBOR applicable to the preceding Accrual Period. The establishment of One-Month LIBOR on each Interest Determination Date by the Securities Administrator and the Securities Administrator's calculation of the rate of interest applicable to the Class A, Class M and Class B Certificates for the related Accrual Period shall, in the absence of manifest error, be final and binding.

One-Month LIBOR Pass-Through Rate: With respect to each Class A, Class M and Class B Certificate, and for purposes of the definition of "Marker Rate" and "Maximum Uncertificated Accrued Interest Deferral Amount", each REMIC II Regular Interest (other than REMIC II Regular Interests AA, ZZ and IO), a per annum rate equal to One-Month LIBOR plus the related Certificate Margin.

Opinion of Counsel: A written opinion of counsel, who may be counsel for the Seller, the Depositor or the Master Servicer, reasonably acceptable to each addressee of such opinion; provided that with respect to Section 2.05, 8.05, 8.07 or 12.01, or the interpretation or application of the REMIC Provisions, such counsel must (i) in fact be independent of the Seller, the Depositor and the Master Servicer, (ii) not have any direct financial interest in the Seller, the Depositor or the Master Servicer or in any affiliate of either, and (iii) not be connected with the Seller, the Depositor or the Master Servicer as an officer, employee, promoter, underwriter, trustee, partner, director or person performing similar functions.

Optional Termination: The termination of the Trust created hereunder as a result of the purchase of all of the Mortgage Loans and any REO Property pursuant to Section 11.01 hereof.

Optional Termination Date: The Distribution Date on which the aggregate Stated Principal Balance of all of the Mortgage Loans is equal to or less than 20% of the aggregate Stated Principal Balance of all of the Mortgage Loans as of the Cut-off Date.

Original Value: The value of the property underlying a Mortgage Loan based, in the case of the purchase of the underlying Mortgaged Property, on the lower of an appraisal or the sales price of such property or, in the case of a refinancing, on an appraisal.

Outstanding: With respect to the Certificates as of any date of determination, all Certificates theretofore executed and authenticated under this Agreement except:

(a) Certificates theretofore canceled by the Securities Administrator or delivered to the Securities Administrator for cancellation; and

(b) Certificates in exchange for which or in lieu of which other Certificates have been executed and delivered by the Securities Administrator pursuant to this Agreement.

Outstanding Mortgage Loan: As of any date of determination, a Mortgage Loan with a Stated Principal Balance greater than zero that was not the subject of a Principal Prepayment in full, and that did not become a Liquidated Loan, prior to the end of the related Prepayment Period.

Overcollateralization Amount: With respect to any Distribution Date, the excess, if any, of the aggregate Stated Principal Balance of the Mortgage Loans as of the last day of the related Due Period (after giving effect to scheduled payments of principal due during the related Due Period, to the extent received or advanced, and unscheduled collections of principal received during the related Prepayment Period, and after reduction for Realized Losses incurred during the prior calendar month) over the aggregate Certificate Principal Balance of the Certificates (other than the Class C Certificates) on such Distribution Date (after taking into account the payment of principal other than any Extra Principal Distribution Amount on such Certificates).

Overcollateralization Floor: With respect to the Certificates, an amount equal to 0.50% of the aggregate Stated Principal Balance of the Mortgage Loans as of the Cut-off Date.

Overcollateralization Release Amount: With respect to any Distribution Date, the lesser of (x) the Principal Funds for such Distribution Date and (y) the excess, if any, of (i) the Overcollateralization Amount for such Distribution Date (assuming that 100% of the Principal Funds is applied as a principal payment on such Distribution Date) over (ii) the Overcollateralization Target Amount for such Distribution Date (with the amount pursuant to clause (y) deemed to be \$0 if the Overcollateralization Amount is less than or equal to the Overcollateralization Target Amount on that Distribution Date).

Overcollateralization Target Amount: With respect to any Distribution Date (a) prior to the Stepdown Date, 6.30% of the aggregate Stated Principal Balance of the Mortgage Loans as of the Cut-off Date, (b) on or after the Stepdown Date and if a Trigger Event is not in effect, the greater of (i) the lesser of (1) 6.30% of the aggregate Stated Principal Balance of the Mortgage Loans as of the Cut-off Date and (2) 12.60% of the aggregate Stated Principal Balance of the Mortgage Loans as of the last day of the related Due Period (after giving effect to scheduled payments of principal due during the related Due Period, to the extent received or advanced, and unscheduled collections of principal received during the related Prepayment Period, and after reduction for Realized Losses incurred during the prior calendar month) and (ii) the

Overcollateralization Floor or (c) on or after the Stepdown Date and if a Trigger Event is in effect, the Overcollateralization Target Amount for the immediately preceding Distribution Date.

Ownership Interest: As to any Certificate, any ownership interest in such Certificate including any interest in such Certificate as the Holder thereof and any other interest therein, whether direct or indirect, legal or beneficial.

Pass-Through Rate: With respect to the Class A, Class M and Class B Certificates and any Distribution Date, a rate per annum equal to the least of (i) the related One-Month LIBOR Pass-Through Rate for such Distribution Date, (ii) 11.00% per annum and (iii) the related Net WAC Cap Rate for such Distribution Date.

With respect to the Class C Interest, a rate per annum equal to the percentage equivalent of a fraction, the numerator of which is (x) the sum of the amount determined for each REMIC II Regular Interest (other than REMIC II Regular Interest IO) equal to the product of (a) the excess, if any, of the Uncertificated REMIC II Pass-Through Rate for such REMIC II Regular Interest over the Marker Rate and (b) a notional amount equal to the Uncertificated Principal Balance of such REMIC II Regular Interest, and the denominator of which is (y) the aggregate Uncertificated Principal Balance of such REMIC II Regular Interests..

With respect to the Class C Certificate, the Class C Certificate shall not have a Pass-Through Rate, but Current Interest for such Certificate and each Distribution Date shall be an amount equal to 100% of the amounts distributable to the Class C Interest for such Distribution Date.

With respect to the Class IO Interest, Class IO Interest shall not have a Pass-Through Rate, but Current Interest for such interest and each Distribution Date shall be an amount equal to 100% of the amounts distributable to REMIC II Regular Interest IO for such Distribution Date.

With respect to REMIC V Regular Interest IO, REMIC V Regular Interest IO shall not have a Pass-Through Rate, but Current Interest for such Regular Interest and each Distribution Date shall be an amount equal to 100% of the amounts distributable to the Class IO Interest for such Distribution Date.

Pass-Through Transfer: Any transaction involving either (1) a sale or other transfer of mortgage loans directly or indirectly to an issuing entity in connection with an issuance of publicly offered or privately placed, rated or unrated mortgage-backed securities or (2) an issuance of publicly offered or privately placed, rated or unrated securities, the payments on which are determined primarily by reference to one or more portfolios of residential mortgage loans.

Percentage Interest: With respect to any Certificate of a specified Class, the Percentage Interest set forth on the face thereof or the percentage obtained by dividing the Denomination of such Certificate by the aggregate of the Denominations of all Certificates of such Class.

Permitted Investments: At any time, any one or more of the following obligations and securities:

(i) obligations of the United States or any agency thereof, provided such obligations are backed by the full faith and credit of the United States;

(ii) general obligations of or obligations guaranteed by any state of the United States or the District of Columbia receiving the highest long-term debt rating of each Rating Agency, or such lower rating as will not result in the downgrading or withdrawal of the ratings then assigned to the Certificates by each Rating Agency (determined without regard to the Policy), as evidenced in writing;

(iii) commercial or finance company paper which is then receiving the highest commercial or finance company paper rating of each Rating Agency, or such lower rating as will not result in the downgrading or withdrawal of the ratings then assigned to the Certificates by each Rating Agency (determined without regard to the Policy), as evidenced in writing;

(iv) certificates of deposit, demand or time deposits, or bankers' acceptances issued by any depository institution or trust company incorporated under the laws of the United States or of any state thereof and subject to supervision and examination by federal and/or state banking authorities (including the Trustee, the Master Servicer and the Securities Administrator in its commercial banking capacity), provided that the commercial paper and/or long term unsecured debt obligations of such depository institution or trust company are then rated one of the two highest long-term and the highest short-term ratings of each Rating Agency for such securities, or such lower ratings as will not result in the downgrading or withdrawal of the rating then assigned to the Certificates by each Rating Agency (determined without regard to the Policy), as evidenced in writing;

(v) demand or time deposits or certificates of deposit issued by any bank or trust company or savings institution to the extent that such deposits are fully insured by the FDIC;

(vi) guaranteed reinvestment agreements issued by any bank, insurance company or other corporation containing, at the time of the issuance of such agreements, such terms and conditions as will not result in the downgrading or withdrawal of the rating then assigned to the Certificates by each Rating Agency (determined without regard to the Policy), as evidenced in writing;

(vii) repurchase obligations with respect to any security described in clauses (i) and (ii) above, in either case entered into with a depository institution or trust company (acting as principal) described in clause (v) above;

(viii) securities (other than stripped bonds, stripped coupons or instruments sold at a purchase price in excess of 115% of the face amount thereof) bearing interest or sold at a discount issued by any corporation incorporated under

the laws of the United States or any state thereof which, at the time of such investment, have one of the two highest short term ratings of each Rating Agency (except if the Rating Agency is Moody's, such rating shall be the highest commercial paper rating of Moody's for any such securities), such lower rating as will not result in the downgrading or withdrawal of the rating then assigned to the Certificates by any Rating Agency, as evidenced by a signed writing delivered by each Rating Agency (determined without regard to the Policy);

(ix) interests in any money market fund (including any such fund managed or advised by the Master Servicer or the Securities Administrator or any affiliate thereof) which at the date of acquisition of the interests in such fund and throughout the time such interests are held in such fund has the highest applicable short term rating by each Rating Agency rating such fund, such lower rating as will not result in the downgrading or withdrawal of the ratings then assigned to the Certificates by each Rating Agency (determined without regard to the Policy), as evidenced in writing;

(x) short term investment funds sponsored by any trust company or banking association incorporated under the laws of the United States or any state thereof (including any such fund managed or advised by the Trustee or the Master Servicer or the Securities Administrator or any affiliate thereof) which on the date of acquisition has been rated by each Rating Agency in their highest applicable rating category or such lower rating as will not result in the downgrading or withdrawal of the ratings then assigned to the Certificates by each Rating Agency (determined without regard to the Policy), as evidenced in writing; and

(xi) such other investments having a specified stated maturity and bearing interest or sold at a discount acceptable to each Rating Agency and will not result in the downgrading or withdrawal of the rating then assigned to the Certificates by each Rating Agency, as evidenced by a signed writing delivered by each Rating Agency (determined without regard to the Policy);

provided, that no such instrument shall be a Permitted Investment if such instrument (i) evidences the right to receive interest only payments with respect to the obligations underlying such instrument, (ii) is purchased at a premium or (iii) is purchased at a deep discount; provided further that no such instrument shall be a Permitted Investment (A) if such instrument evidences principal and interest payments derived from obligations underlying such instrument and the interest payments with respect to such instrument provide a yield to maturity of greater than 120% of the yield to maturity at par of such underlying obligations, or (B) if it may be redeemed at a price below the purchase price (the foregoing clause (B) not to apply to investments in units of money market funds pursuant to clause (viii) above); provided further that no amount beneficially owned by any REMIC may be invested in investments (other than money market funds) treated as equity interests for federal income tax purposes, unless the Securities Administrator shall receive an Opinion of Counsel, at the expense of the Securities Administrator, to the effect that such investment will not adversely affect the status of any such REMIC as a REMIC under the Code or result in the imposition of a tax on any such REMIC.

Permitted Investments that are subject to prepayment or call may not be purchased at a price in excess of par.

Permitted Transferee: Any Person (x) other than (i) the United States, any State or political subdivision thereof, any possession of the United States or any agency or instrumentality of any of the foregoing, (ii) a foreign government, International Organization or any agency or instrumentality of either of the foregoing, (iii) an organization (except certain farmers' cooperatives described in section 521 of the Code) that is exempt from tax imposed by Chapter 1 of the Code (including the tax imposed by section 511 of the Code on unrelated business taxable income) on any excess inclusions (as defined in section 860E(c)(1) of the Code) with respect to any Residual Certificate, (iv) rural electric and telephone cooperatives described in section 1381(a)(2)(C) of the Code or (v) an electing large partnership within the meaning of Section 775(a) of the Code, (y) that is a citizen or resident of the United States, a corporation, partnership (other than a partnership that has any direct or indirect foreign partners) or other entity (treated as a corporation or a partnership for federal income tax purposes), created or organized in or under the laws of the United States, any State thereof or the District of Columbia, an estate whose income from sources without the United States is includible in gross income for United States federal income tax purposes regardless of its connection with the conduct of a trade or business within the United States, or a trust if a court within the United States is able to exercise primary supervision over the administration of the trust and one or more United States persons have authority to control all substantial decisions of the trust or if it has a valid election in effect under applicable U.S. Treasury regulations to be treated as a United States person and (z) other than any other Person so designated by the Securities Administrator based upon an Opinion of Counsel addressed to the Securities Administrator and the Trustee (which shall not be an expense of the Trustee or the Securities Administrator) that states that the Transfer of an Ownership Interest in a Residual Certificate to such Person may cause REMIC I, REMIC II, REMIC III, REMIC IV or REMIC V to fail to qualify as a REMIC at any time that any Certificates are Outstanding. The terms "United States," "State" and "International Organization" shall have the meanings set forth in section 7701 of the Code or successor provisions. A corporation will not be treated as an instrumentality of the United States or of any State or political subdivision thereof for these purposes if all of its activities are subject to tax and, with the exception of Freddie Mac, a majority of its board of directors is not selected by such government unit.

Person: Any individual, corporation, partnership, joint venture, association, joint-stock company, limited liability company, trust, unincorporated organization or government, or any agency or political subdivision thereof.

PHH: PHH Mortgage Corporation and any successor thereto.

PHH Assignment Agreement: The Assignment, Assumption and Recognition Agreement substantially in the form of Exhibit R-4, dated as of March 30, 2007, among EMC, the Trustee, PHH and Bishop's Gate Residential Mortgage Trust (formerly known as Cendant Mortgage Loan Trust), evidencing the assignment of the PHH Servicing Agreement to the Trust.

PHH Loans: Those Mortgage Loans subject to this Agreement which were purchased by the Seller from PHH pursuant to the PHH Servicing Agreement.

PHH Servicing Agreement: The Amended and Restated Purchase, Warranties and Servicing Agreement, dated as of March 20, 2007, among the Seller, PHH and Bishop's Gate Residential Mortgage Trust (formerly known as Cendant Mortgage Loan Trust).

Policy: The financial guaranty insurance policy (No. CA03636A) with respect to the Class A-2 Certificates and Class A-3 Certificates and all endorsements thereto, if any, dated the Closing Date, issued by the Certificate Insurer for the benefit of the Holders of the Class A-2 Certificates and Class A-3 Certificates only.

Policy Payments Account: The separate Eligible Account created and maintained by the Securities Administrator pursuant to Section 6.08 in the name of the Trustee for the benefit of the Holders of the Class A-2 Certificates and Class A-3 Certificates and designated "Citibank, N.A., as Trustee in trust for registered holders of Bear Stearns Second Lien Trust 2007-SV1, Mortgage-Backed Certificates, Series 2007-SV1, Class A-2 and Class A-3 Certificates." Funds in the Policy Payments Account shall be held in trust for the Holders of the Class A-2 Certificates and Class A-3 Certificates for the uses and purposes set forth in this Agreement and in the Insurance Agreement.

Premium: The premium due to the Certificate Insurer with respect to the Class A-2 Certificates and Class A-3 Certificates calculated based on the product of the related Premium Percentage and the Certificate Principal Balance of the Class A-2 Certificates or Class A-3 Certificates, as applicable, as of the immediately preceding Distribution Date, based on a 360-day year consisting of twelve 30-day months.

Premium Percentage: With respect to the Class A-2 Certificates, 0.130% per annum, and with respect to the Class A-3 Certificates, 0.110% per annum.

Prepayment Assumption: A prepayment rate for the Mortgage Loans of 35% CPR.

Prepayment Charge: Any prepayment premium, penalty or charge payable by a Mortgagor in connection with any Principal Prepayment on a Mortgage Loan pursuant to the terms of the related Mortgage Note.

Prepayment Charge Waiver Amount: Any amount paid by a Servicer to the Master Servicer pursuant to the related Servicing Agreement.

Prepayment Interest Shortfall: With respect to any Distribution Date, for each Mortgage Loan that was the subject of a partial Principal Prepayment during the related Prepayment Period, or a Principal Prepayment in full during the related Prepayment Period, or that became a Liquidated Loan during the prior calendar month, (other than a Principal Prepayment in full resulting from the purchase of a Mortgage Loan pursuant to Section 2.02, 2.03 or 11.01 hereof), the amount, if any, by which (i) one month's interest at the applicable Net Mortgage Rate on the Stated Principal Balance of such Mortgage Loan immediately prior to such Principal Prepayment (or liquidation) or in the case of a partial Principal Prepayment on the amount of such prepayment (or liquidation proceeds) exceeds (ii) the amount of interest paid or collected in connection with such Principal Prepayment or such liquidation proceeds less the Servicing Fee.

Prepayment Period: As to any Distribution Date and each Mortgage Loan, in accordance with the related Servicing Agreement.

Principal Distribution Amount: With respect to any Distribution Date, an amount equal to (x) the sum of (1) the Principal Funds for such Distribution Date and (2) any Extra Principal Distribution Amount for such Distribution Date minus (y) the amount of any Overcollateralization Release Amount for such Distribution Date.

Principal Funds: With respect to any Distribution Date, (1) the sum, without duplication, of (a) all scheduled principal collected on the Mortgage Loans during the related Due Period, (b) all Advances relating to principal with respect to the Mortgage Loans made on or before the Distribution Date, (c) Principal Prepayments exclusive of prepayment charges or penalties collected on the Mortgage Loans during the related Prepayment Period, (d) the Stated Principal Balance of each Mortgage Loan that was repurchased by the Seller pursuant to Sections 2.02, 2.03, (e) the aggregate of all Substitution Adjustment Amounts on the Mortgage Loans for the related Determination Date in connection with the substitution of any Mortgage Loans pursuant to Section 2.03(d), (f) all Liquidation Proceeds and Subsequent Recoveries collected on the Mortgage Loans during the prior calendar month (to the extent such Liquidation Proceeds and Subsequent Recoveries relate to principal), in each case to the extent remitted by the related Servicer to the Distribution Account pursuant to the related Servicing Agreement and (g) the principal portion of any proceeds received from the exercise of a Optional Termination, pursuant to Section 11.01, minus (2)(i) all amounts required to be reimbursed pursuant to Section 5.07 or as otherwise set forth in this Agreement and (ii) any Net Swap Payments or Swap Termination Payments (not due to a Swap Provider Trigger Event and other than to the extent already paid by the Swap Administrator from any upfront payment received pursuant to any replacement interest rate swap agreement that may be entered into by the Supplemental Interest Trust Trustee) owed to the Swap Administrator for payment to the Swap Provider for such Distribution Date and any such payments remaining unpaid for any prior Distribution Dates, in each case to the extent not paid from Interest Funds.

Principal Prepayment: Any Mortgagor payment or other recovery of (or proceeds with respect to) principal on a Mortgage Loan (including loans purchased or repurchased under Sections 2.02, 2.03 and 11.01 hereof) that is received in advance of its scheduled Due Date and is not accompanied by an amount as to interest representing scheduled interest due on any date or dates in any month or months subsequent to the month of prepayment. Partial Principal Prepayments shall be applied by the related Servicer, as appropriate, in accordance with the terms of the related Mortgage Note.

Private Certificates: Any of the Class A, Class M, Class B, Class X, Class C and Residual Certificates.

Private Placement Memorandum: The Confidential Private Placement Memorandum dated March 30, 2007, relating to the offering of the Offered Certificates.

Protected Account: Each account established by the related Servicer with respect to receipts on the Mortgage Loans and REO Property in accordance with the applicable Servicing Agreement. Each Protected Account shall be an Eligible Account.

PUD: A Planned Unit Development.

Purchase Price: With respect to any Mortgage Loan required to be purchased pursuant to the applicable provisions of this Agreement, an amount equal to the sum of (i) 100% of the principal remaining unpaid on such Mortgage Loan as of the date of purchase (including if a foreclosure has already occurred, the principal balance of the related Mortgage Loan at the time the Mortgaged Property was acquired), net of any Servicing Advances and Advances attributable to principal and payable to the purchaser of the Mortgage Loan if such purchaser is also the Servicer of such Mortgage Loan, (ii) accrued and unpaid interest thereon at the Mortgage Rate through and including the last day of the month of purchase, net of any portion of the Servicing Fee and any Servicing Advances and Advances attributable to interest that is payable to the purchaser of the Mortgage Loan if such purchaser is also the Servicer of such Mortgage Loan, plus and (iii) any costs and damages (if any) incurred by the Trust in connection with any violation of such Mortgage Loan of any anti-predatory lending laws.

QIB: A Qualified Institutional Buyer as defined in Rule 144A promulgated under the Securities Act.

Rating Agency: Each of S&P and Moody's. If any such organization or its successor is no longer in existence, "Rating Agency" shall be a nationally recognized statistical rating organization, or other comparable Person, designated by the Depositor, notice of which designation shall be given to the Trustee and the Securities Administrator. References herein to a given rating category of each Rating Agency shall mean such rating category without giving effect to any modifiers.

Realized Loss: With respect to each Mortgage Loan as to which a Final Recovery Determination has been made, an amount (not less than zero) equal to (i) the unpaid principal balance of such Mortgage Loan as of the commencement of the calendar month in which the Final Recovery Determination was made, plus (ii) accrued interest from the Due Date as to which interest was last paid by the Mortgagor or advanced through the end of the calendar month in which such Final Recovery Determination was made, calculated in the case of each calendar month during such period (A) at an annual rate equal to the annual rate at which interest was then accruing on such Mortgage Loan and (B) on a principal amount equal to the Stated Principal Balance of such Mortgage Loan as of the close of business on the Distribution Date during such calendar month, minus (iii) the proceeds, if any, received in respect of such Mortgage Loan during the calendar month in which such Final Recovery Determination was made, net of amounts that are payable therefrom to the related Servicer pursuant to the applicable Servicing Agreement which have not been previously reimbursed. With respect to each Mortgage Loan which is the subject of a Servicing Modification during the calendar month immediately preceding the related Distribution Date, the sum of (a) the total amount of interest and principal which is forgiven with respect to the related Mortgage Loan and (b) the amount of any Advances and Servicing Advances made by the Master Servicer with respect to such Mortgage Loan which are reimbursable from the Trust to the Master Servicer with respect to that Servicing Modification. In addition, to the extent the Master Servicer receives Subsequent Recoveries with respect to any Mortgage Loan, the amount of the Realized Loss with respect to that Mortgage Loan will be reduced to the extent such recoveries are distributed to any Class of Certificates or applied to increase Excess Spread on any Distribution Date pursuant to Section 6.04(b).

With respect to any REO Property as to which a Final Recovery Determination has been made, an amount (not less than zero) equal to (i) the unpaid principal balance of the related Mortgage Loan as of the date of acquisition of such REO Property on behalf of REMIC I, plus (ii) accrued interest from the Due Date as to which interest was last paid by the Mortgagor in respect of the related Mortgage Loan through the end of the calendar month immediately preceding the calendar month in which such REO Property was acquired, calculated in the case of each calendar month during such period (A) at an annual rate equal to the annual rate at which interest was then accruing on the related Mortgage Loan and (B) on a principal amount equal to the Stated Principal Balance of the related Mortgage Loan as of the close of business on the Distribution Date during such calendar month, plus (iii) REO Imputed Interest for such REO Property for each calendar month commencing with the calendar month in which such REO Property was acquired and ending with the calendar month in which such Final Recovery Determination was made, minus (iv) the aggregate of all unreimbursed Advances and Servicing Advances.

With respect to each Mortgage Loan which has become the subject of a Deficient Valuation, the difference between the principal balance of the Mortgage Loan outstanding immediately prior to such Deficient Valuation and the principal balance of the Mortgage Loan as reduced by the Deficient Valuation.

With respect to each Mortgage Loan which has become the subject of a Debt Service Reduction, the portion, if any, of the reduction in each affected Monthly Payment attributable to a reduction in the Mortgage Rate imposed by a court of competent jurisdiction. Each such Realized Loss shall be deemed to have been incurred on the Due Date for each affected Monthly Payment.

Record Date: With respect to any Distribution Date and the Class A, Class M and Class B Certificates, so long as such Classes of Certificates are Book-Entry Certificates, the Business Day preceding such Distribution Date, and otherwise, the close of business on the last Business Day of the month preceding the month in which such Distribution Date occurs. With respect to any Distribution Date and the Class C, Class X and Residual Certificates, the close of business on the last Business Day of the month preceding the month in which such Distribution Date occurs.

Reference Bank Rate: With respect to any Accrual Period shall mean the arithmetic mean, rounded upwards, if necessary, to the nearest whole multiple of 0.03125%, of the offered rates for United States dollar deposits for one month that are quoted by the Reference Banks as of 11:00 a.m., New York City time, on the related Interest Determination Date to prime banks in the London interbank market for a period of one month in an amount approximately equal to the aggregate Certificate Principal Balance of the Class A Certificates and Class M Certificates for such Accrual Period, provided that at least two such Reference Banks provide such rate. If fewer than two offered rates appear, the Reference Bank Rate will be the arithmetic mean, rounded upwards, if necessary, to the nearest whole multiple of 0.03125%, of the rates quoted by one or more major banks in New York City, selected by the Securities Administrator, as of 11:00 a.m., New York City time, on such date for loans in United States dollars to leading European banks for a period of one month in amounts approximately equal to the aggregate Certificate Principal Balance of the Class A Certificates and Class M Certificates for such Accrual Period.

Reference Banks: Shall mean leading banks selected by the Securities Administrator and engaged in transactions in Eurodollar deposits in the international Eurocurrency market (i) with an established place of business in London, (ii) which have been designated as such by the Securities Administrator and (iii) which are not controlling, controlled by, or under common control with, the Depositor, the Seller or the Master Servicer.

Regular Certificate: Any Certificate (other than a Residual Certificate or the Class X Certificate).

Regular Interest: A “regular interest” in a REMIC within the meaning of Section 860G(a)(1) of the Code.

Reimbursement Amount: As of any Distribution Date, the sum of (x)(i) all Insured Payments and Avoided Payments paid by the Certificate Insurer, but for which the Certificate Insurer has not been reimbursed prior to such Distribution Date, plus (ii) interest accrued on such Insured Payments and Avoided Payments not previously paid calculated at the Late Payment Rate, from the date the Securities Administrator received the related Insured Payments or Avoided Payments, and (y) without duplication, (i) any amounts then due and owing to the Certificate Insurer under the Insurance Agreement or this Agreement but for which the Certificate Insurer has not been paid or reimbursed prior to such Distribution Date, plus (ii) interest on such amounts at the Late Payment Rate.

Relief Act: The Servicemembers Civil Relief Act, as amended, or any similar state or local law.

Relief Act Interest Shortfall: With respect to any Distribution Date and any Mortgage Loan, any reduction in the amount of interest collectible on such Mortgage Loan for the most recently ended Due Period as a result of the application of the Relief Act.

Remaining Excess Spread: With respect to any Distribution Date, the Excess Spread less any Extra Principal Distribution Amount.

REMIC: A “real estate mortgage investment conduit” within the meaning of section 860D of the Code.

REMIC I: The segregated pool of assets described in the Preliminary Statement and Section 6.07(a).

REMIC I Regular Interest: Any of the separate non-certificated beneficial ownership interests in REMIC I issued hereunder and designated as a Regular Interest in REMIC I. Each REMIC I Regular Interest shall accrue interest at the related Uncertificated REMIC I Pass-Through Rate in effect from time to time, and shall be entitled to distributions of principal, subject to the terms and conditions hereof, in an aggregate amount equal to its initial Uncertificated Principal Balance as set forth in the Preliminary Statement hereto. The designations for the respective REMIC I Regular Interests are set forth in the Preliminary Statement hereto.

REMIC II: The segregated pool of assets described in the Preliminary Statement and Section 6.07(a).

REMIC II Interest Loss Allocation Amount: With respect to any Distribution Date, an amount (subject to adjustment based on the actual number of days elapsed in the respective Accrual Period) equal to (a) the product of (i) the aggregate Stated Principal Balance of the Mortgage Loans and the related REO Properties then outstanding and (ii) the Uncertificated REMIC II Pass-Through Rate for REMIC II Regular Interest AA minus the Marker Rate, divided by (b) 12.

REMIC II Overcollateralization Amount: With respect to any date of determination, (i) 1.00% of the aggregate Uncertificated Principal Balance of the REMIC II Regular Interests (other than REMIC II Regular Interest IO) minus (ii) the aggregate Uncertificated Principal Balance of each REMIC II Regular Interest for which a Class A, Class M or Class B Certificate is a Corresponding Certificate, in each case as of such date of determination.

REMIC II Principal Loss Allocation Amount: With respect to any Distribution Date, an amount equal to the product of (i) the aggregate Stated Principal Balance of the Mortgage Loans and the related REO Properties then outstanding and (ii) $1 - \frac{2 \times (\text{aggregate Uncertificated Principal Balance of each REMIC II Regular Interest for which a Class A, Class M or Class B Certificate is a Corresponding Certificate})}{(\text{aggregate Uncertificated Principal Balance of each REMIC II Regular Interest for which a Class A, Class M or Class B Certificate is a Corresponding Certificate and REMIC II Regular Interest ZZ})}$.

REMIC II Regular Interest: Any of the separate non-certificated beneficial ownership interests in REMIC II issued hereunder and designated as a Regular Interest in REMIC II. Each REMIC II Regular Interest shall accrue interest at the related Uncertificated REMIC II Pass-Through Rate in effect from time to time, and (other than REMIC II Regular Interest IO) shall be entitled to distributions of principal, subject to the terms and conditions hereof, in an aggregate amount equal to its initial Uncertificated Principal Balance as set forth in the Preliminary Statement hereto. The designations for the respective REMIC II Regular Interests are set forth in the Preliminary Statement hereto.

REMIC II Required Overcollateralization Amount: 1.00% of the Overcollateralization Target Amount.

REMIC III: The segregated pool of assets described in the Preliminary Statement and Section 6.07(a).

REMIC III Regular Interest: The Class C Interest, Class IO Interest or any Regular Interest in REMIC III the ownership of which is represented by any of the Class A, Class M and Class B Certificates.

REMIC IV: The segregated pool of assets consisting of the Class C Interest conveyed in trust to the Trustee, for the benefit of the Holders of the Class C Certificates and the Class RX Certificate (in respect of the Class R-4 Interest), with respect to which a separate REMIC election is to be made.

REMIC V: The segregated pool of assets consisting of the Class IO Interest conveyed in trust to the Trustee, for the benefit of the holders of REMIC V Regular Interest IO and the Class RX Certificate (in respect of the Class R-5 Interest), with respect to which a separate REMIC election is to be made.

REMIC Opinion: Shall mean an Opinion of Counsel to the effect that the proposed action will not cause any of REMIC I, REMIC II, REMIC III, REMIC IV or REMIC V to fail to qualify as a REMIC at any time that any Certificates are outstanding.

REMIC Provisions: Provisions of the federal income tax law relating to real estate mortgage investment conduits, which appear at Sections 860A through 860G of the Code, and related provisions, and proposed, temporary and final regulations and published rulings, notices and announcements promulgated thereunder, as the foregoing may be in effect from time to time, as well as provisions of applicable state laws.

REMIC Regular Interests: The REMIC I Regular Interests and REMIC II Regular Interests.

Remittance Date: Shall mean the Business Day as specified in the related Servicing Agreement.

Remittance Report: Shall mean a report to the Securities Administrator in an electronic format (or by such other means as the Master Servicer and the Securities Administrator may agree from time to time) containing such data and information, as agreed to by the Master Servicer and the Securities Administrator such as to permit the Securities Administrator to prepare the Monthly Statement to Certificateholders.

REO Imputed Interest: As to any REO Property, for any calendar month during which such REO Property was at any time part of REMIC I, one month's interest at the applicable Net Mortgage Rate on the Stated Principal Balance of such REO Property (or, in the case of the first such calendar month, of the related Mortgage Loan, if appropriate) as of the close of business on the Distribution Date in such calendar month.

REO Property: A Mortgaged Property acquired by the related Servicer on behalf of the Trust Fund through foreclosure or deed-in-lieu of foreclosure in connection with a defaulted Mortgage Loan.

Replacement Mortgage Loan: A Mortgage Loan or Mortgage Loans in the aggregate substituted by the Seller for a Deleted Mortgage Loan, which must, on the date of such substitution, as confirmed in a Request for Release, (i) have a Stated Principal Balance, after deduction of the principal portion of the Scheduled Payment due in the month of substitution, not in excess of, and not less than 90% of, the Stated Principal Balance of the Deleted Mortgage Loan; (ii) have a fixed Mortgage Rate not less than or more than 1% per annum higher than the Mortgage Rate of the Deleted Mortgage Loan; (iii) have the same or higher credit quality characteristics than that of the Deleted Mortgage Loan; (iv) have a Combined Loan-to-Value Ratio no higher than that of the Deleted Mortgage Loan; (v) have a remaining term to maturity no greater than (and not more than one year less than) that of the Deleted Mortgage Loan; (vi) not permit conversion of the Mortgage Rate from a fixed rate to a variable rate; (vii) have the

same lien priority as the Deleted Mortgage Loan; (viii) constitute the same occupancy type as the Deleted Mortgage Loan or be owner occupied; (ix) comply with each representation and warranty set forth in Section 7 of the Mortgage Loan Purchase Agreement and (x) the Custodian has delivered a Final Certification noting no defects or exceptions.

Request for Release: The Request for Release to be submitted by the Seller, a Servicer or the Master Servicer to the Custodian substantially in the form of Exhibit G hereto or other form attached as an exhibit to the Custodial Agreement. Each Request for Release furnished to the Custodian by the Seller, a Servicer or the Master Servicer shall be in duplicate and shall be executed by an officer of such Person or a Servicing Officer (or, if furnished electronically to the Custodian, shall be deemed to have been sent and executed by an officer of such Person or a Servicing Officer) of the Seller, such Servicer or the Master Servicer, as applicable.

Required Insurance Policy: With respect to any Mortgage Loan, any insurance policy that is required to be maintained from time to time under this Agreement or the related Servicing Agreement.

Reserve Fund: Shall mean the separate trust account created and maintained by the Securities Administrator pursuant to Section 4.12 hereof.

Reserve Fund Deposit: With respect to the Reserve Fund, an amount equal to \$5,000, which the Depositor shall initially deposit into the Reserve Fund pursuant to Section 4.12 hereof.

Residual Certificates: The Class R-1, Class R-2, Class R-3 and Class RX Certificates (representing ownership of the Class R-4 Interest and Class R-5 Interest), each evidencing the sole class of Residual Interests in the related REMIC.

Residual Interest: The sole class of Residual Interests in a REMIC within the meaning of Section 860G(a)(2) of the Code.

Responsible Officer: With respect to the Trustee and the Securities Administrator, any Vice President, any Assistant Vice President, the Secretary, any Assistant Secretary, or any Trust Officer in its respective Corporate Trust Office with specific responsibility for the transactions contemplated hereby, any other officer customarily performing functions similar to those performed by any of the above designated officers or other officers of the Trustee or the Securities Administrator as specified by the Trustee or the Securities Administrator, respectively, as to whom, with respect to a particular matter, such matter is referred because of such officer's knowledge of and familiarity with the particular subject.

S&P: Standard & Poor's, a division of The McGraw-Hill Companies, Inc., and any successor thereto.

Scheduled Payment: The scheduled monthly payment on a Mortgage Loan due on any Due Date allocable to principal and/or interest on such Mortgage Loan.

Securities Act: The Securities Act of 1933, as amended, and the rules and regulations thereunder.

Securities Administrator: Wells Fargo Bank, National Association, in its capacity as securities administrator, transfer agent and paying agent hereunder, and its successors and assigns.

Seller: EMC in its capacity as seller of the Mortgage Loans to the Depositor.

Senior Certificates: The Class A Certificates.

Servicer: GMACM or PHH.

Servicing Advances: All customary, reasonable and necessary “out of pocket” costs and expenses (including reasonable legal fees) incurred in the performance by the Servicers of their servicing obligations hereunder or under the related Servicing Agreement, including, but not limited to, the cost of (i) the preservation, restoration and protection of a Mortgaged Property, (ii) any enforcement or judicial proceedings, including foreclosures, and including any expenses incurred in relation to any such proceedings that result from the Mortgage Loan being registered in the MERS® System, and (iii) the management and liquidation of any REO Property (including, without limitation, realtor’s commissions).

Servicing Agreement: Any of the GMACM Servicing Agreement or the PHH Servicing Agreement.

Servicing Fee: As to each Mortgage Loan and any Distribution Date, an amount equal to $1/12^{\text{th}}$ of the Servicing Fee Rate multiplied by the unpaid principal balance of each Mortgage Loan payable solely from interest collections, as of the Due Date in the month preceding the month in which such Distribution Date occurs.

Servicing Fee Rate: An amount ranging from 0.4000% per annum to 0.5000% per annum, each as set forth in the Mortgage Loan Schedule.

Servicing Modification: With respect to any Mortgage Loan that is in default or, in the reasonable judgment of the related Servicer, as to which default is reasonably foreseeable, any modification which is effected by the related Servicer in accordance with the terms of the applicable Servicing Agreement which results in any change in the outstanding Stated Principal Balance, any change in the Mortgage Rate or any extension of the term of such Mortgage Loan.

Servicing Officer: Any officer of a Servicer involved in, or responsible for, the administration and servicing of the Mortgage Loans, as to which evidence reasonably acceptable to the Master Servicer or the Trustee, of due authorization, by such party has been furnished from time to time to the Master Servicer or the Trustee.

Simple Interest Loans: The Mortgage Loans that provide for monthly payments to be allocated to principal and interest according to the daily simple interest method.

Simple Interest Shortfall Advance: Any Advance made by the related Servicer in connection with a Simple Interest Loan resulting from any shortfall in the amount of any Scheduled Payment applied to interest on the Simple Interest Loan due to the payment by the

related Mortgagor of the Scheduled Payment less than one month after payment of the preceding Scheduled Payment.

Sixty-Day Plus Delinquency Percentage: With respect to any Distribution Date, is the arithmetic average for each of the three successive Distribution Dates ending with the applicable Distribution Date of the percentage equivalent of a fraction, the numerator of which is the aggregate Stated Principal Balance of the Mortgage Loans that are 60 or more days Delinquent in the payment of principal or interest for the relevant Distribution Date, including any Mortgage Loans in foreclosure, REO and Mortgage Loans with a related Mortgagor subject to bankruptcy proceedings, and the denominator of which is the aggregate Stated Principal Balance of all of the Mortgage Loans immediately preceding such Distribution Date.

Seller: EMC.

Startup Day: The Startup Day for each REMIC formed hereunder shall be the Closing Date.

Stated Principal Balance: With respect to any Mortgage Loan or related REO Property and any Distribution Date, the Cut-off Date Principal Balance thereof minus the sum of (i) the principal portion of the Scheduled Payments due with respect to such Mortgage Loan during each Due Period ending prior to such Distribution Date (and irrespective of any delinquency in their payment), (ii) all Principal Prepayments with respect to such Mortgage Loan received prior to or during the related Prepayment Period (iii) all Liquidation Proceeds to the extent applied by the related Servicer as recoveries of principal in accordance with the applicable Servicing Agreement with respect to such Mortgage Loan, that were received by the related Servicer as of the close of business on the last day of the calendar month immediately preceding such Distribution Date and (iv) any Realized Losses on such Mortgage Loan incurred during the prior calendar month. The Stated Principal Balance of a Liquidated Loan equals zero.

Stepdown Date: The earlier to occur of, (I) the first Distribution Date following the Distribution Date for which the Certificate Principal Balance for each of the Class A Certificates has been reduced to zero, and (II) the later to occur of (a) the Distribution Date in April 2010 or (b) the first Distribution Date on which the Current Specified Enhancement Percentage is greater than or equal to 53.90%.

Subordinated Certificates: The Class M, Class B, Class C and Residual Certificates.

Subsequent Recoveries: Subsequent recoveries (including collections received after charge-off or liquidation except to the extent such Mortgage Loans have been removed from the Trust Fund), net of reimbursable expenses with respect to the related Mortgage Loan that has been previously liquidated and that resulted in a Realized Loss.

Substitution Adjustment Amount: The meaning ascribed to such term pursuant to Section 2.03(d).

Successor Master Servicer: The meaning ascribed to such term pursuant to Section 8.06.

Supplemental Interest Trust: The corpus of a trust created pursuant to Section 4.12 of this Agreement and designated as the “Supplemental Interest Trust,” consisting of the Swap Agreement, the Swap Administration Agreement, the Swap Account and REMIC V Regular Interest IO. For the avoidance of doubt, the Supplemental Interest Trust, the Swap Agreement, the Swap Account and the Swap Administration Agreement do not constitute parts of the Trust Fund or any REMIC.

Supplemental Interest Trust Trustee: Wells Fargo Bank, National Association, not in its individual capacity but solely in its capacity as Supplemental Interest Trust Trustee and any successor thereto, and any corporation or national banking association resulting from or surviving any consolidation or merger to which it or its successors may be a party and any successor Supplemental Interest Trust Trustee as may from time to time be serving as successor Supplemental Interest Trust Trustee.

Swap Account: The separate trust account created and maintained by the Swap Administrator, and held within the Supplemental Interest Trust, pursuant to the Swap Administration Agreement.

Swap Administrator: Wells Fargo Bank, National Association, not in its individual capacity, but solely as swap administrator under the Swap Administration Agreement.

Swap Administration Agreement: The Swap Administration Agreement, dated March 30, 2007, pursuant to which the Swap Administrator will make payments to the Swap Provider and the Class A, Class M and Class B Certificateholders, and certain other payments, as such agreement may be amended or supplemented from time to time.

Swap Agreement: The interest rate swap agreement, dated as of March 30, 2007, between the Supplemental Interest Trust Trustee and the Swap Provider, including any schedule, confirmations, credit support annex or other credit support document relating thereto, and attached hereto as Exhibit N.

Swap Credit Support Annex: The credit support annex, dated as of March 30, 2007, between the Supplemental Interest Trust Trustee and the Swap Provider, which is annexed to and forms part of the Swap Agreement.

Swap LIBOR: For any Distribution Date, a per annum rate equal to the Floating Rate Option (as defined in the Swap Agreement) for the related Calculation Period (as defined in the Swap Agreement).

Swap Optional Termination Payment: As defined in Section 11.01.

Swap Provider: The swap provider under the Swap Agreement. Initially, the Swap Provider shall be Wachovia Bank, National Association.

Swap Provider Trigger Event: With respect to any Distribution Date, (i) an Event of Default under the Swap Agreement with respect to which the Swap Provider is a Defaulting Party, (ii) a Termination Event under the Swap Agreement with respect to which the Swap

Provider is the sole Affected Party, or (iii) an Additional Termination Event under the Swap Agreement with respect to which the Swap Provider is the sole Affected Party.

Swap Termination Payment: Upon the designation of an “Early Termination Date” as defined in the Swap Agreement, the payment to be made by the Swap Administrator to the Swap Provider from payments from the Trust Fund, or by the Swap Provider to the Swap Administrator for payment to the Trust Fund, as applicable, pursuant to the terms of the Swap Agreement.

Tax Matters Person: The person designated as “tax matters person” in the manner provided under Treasury Regulation Sections 1.860F-4(d) and 301.6231(a)(7)-1T. The holder of the greatest Percentage Interest in a Class of Residual Certificates shall be the Tax Matters Person for the related REMIC. The Securities Administrator, or any successor thereto or assignee thereof, shall serve as tax administrator hereunder and as agent for the related Tax Matters Person.

Transfer: Any direct or indirect transfer or sale of any Ownership Interest in a Certificate.

Transferee Affidavit: As defined in Section 7.02(c)(ii).

Transferor Affidavit: As defined in Section 7.02(c)(ii)..

Trigger Event: With respect to any Distribution Date, a “Trigger Event” shall have occurred if any of the following tests is not satisfied: (i) the 60 Day Plus Delinquency Percentage is less than 14.84% of the Current Specified Enhancement Percentage, or (ii) (A) for any Distribution Date from and including the Distribution Date in April 2009 to and including the Distribution Date in March 2010, the Cumulative Realized Loss Percentage for such Distribution Date is less than 3.00% plus an additional 1/12th of 2.75% for each Distribution Date thereafter up to and including the Distribution Date in March 2010, (B) for any Distribution Date from and including the Distribution Date in April 2010 to and including the Distribution Date in March 2011, the Cumulative Realized Loss Percentage for such Distribution Date is less than 5.75% plus an additional 1/12th of 2.00% for each Distribution Date thereafter up to and including the Distribution Date in March 2011, (C) for any Distribution Date from and including the Distribution Date in April 2011 to and including the Distribution Date in March 2012, the Cumulative Realized Loss Percentage for such Distribution Date is less than 7.75% plus an additional 1/12th of 1.25% for each Distribution Date thereafter up to and including the Distribution Date in March 2012, (D) for any Distribution Date from and including the Distribution Date in April 2012 to and including the Distribution Date in March 2013, the Cumulative Realized Loss Percentage for such Distribution Date is less than 9.00% plus an additional 1/12th of 0.50% for each Distribution Date thereafter up to and including the Distribution Date in March 2013, and (E) for any Distribution Date thereafter, the Cumulative Realized Loss Percentage for such Distribution Date is less than 9.50%.

Trust: As defined in Section 2.07.

Trust Fund: The corpus of the trust created hereunder consisting of (i) the Mortgage Loans and all interest accruing and principal due with respect thereto after the Cut-off Date to the extent not applied in computing the Cut-off Date Principal Balance thereof; (ii) the Distribution

Account maintained by the Securities Administrator, the Reserve Fund, the Policy Payments Account and the Protected Accounts maintained by each Servicer and all amounts deposited therein pursuant to the applicable provisions of the Servicing Agreements; (iii) property that secured a Mortgage Loan and has been acquired by foreclosure, deed in lieu of foreclosure or otherwise; (iv) the mortgagee's rights under the Insurance Policies with respect to the Mortgage Loans; (v) the Servicing Agreements and the Assignment Agreements; (vi) the rights under the Swap Administration Agreement; (vii) the rights under the Mortgage Loan Purchase Agreement; (viii) for the benefit of the Class A-2 Certificates and Class A-3 Certificates only, the Policy; and (ix) all proceeds of the foregoing, including proceeds of conversion, voluntary or involuntary, of any of the foregoing into cash or other liquid property. The Reserve Fund shall constitute an asset of the Trust Fund but will not be included in REMIC I, REMIC II, REMIC III, REMIC IV or REMIC V.

Trustee: Citibank, N.A., a national banking association, as trustee for the benefit of the Certificateholders and the Certificate Insurer under this Agreement, and any successor thereto, and any corporation or national banking association resulting from or surviving any consolidation or merger to which it or its successors may be a party and any successor trustee as may from time to time be serving as successor trustee hereunder.

Uncertificated Accrued Interest: With respect to each REMIC Regular Interest on each Distribution Date, an amount equal to one month's interest at the related Uncertificated Pass-Through Rate on the related Uncertificated Principal Balance or related Uncertificated Notional Amount of such REMIC Regular Interest. In each case, Uncertificated Accrued Interest will be reduced by any Prepayment Interest Shortfalls and Relief Act Interest Shortfalls (allocated to such REMIC Regular Interests as set forth in Section 1.02).

Uncertificated Notional Amount: With respect to REMIC III Regular Interest C and any Distribution Date, an amount equal to the aggregate Uncertificated Principal Balance of the REMIC II Regular Interests for such Distribution Date.

With respect to the Class C Interest and any Distribution Date, an amount equal to the aggregate Uncertificated Principal Balance of the REMIC II Regular Interests for such Distribution Date.

With respect to REMIC II Regular Interest IO and each Distribution Date listed below, the aggregate Uncertificated Principal Balance of the REMIC I Regular Interests ending with the designation "A" listed below:

DISTRIBUTION DATE	REMIC I REGULAR INTERESTS
1	I-1-A THROUGH I-45-A
2	I-2-A THROUGH I-45-A
3	I-3-A THROUGH I-45-A
4	I-4-A THROUGH I-45-A
5	I-5-A THROUGH I-45-A
6	I-6-A THROUGH I-45-A
7	I-7-A THROUGH I-45-A
8	I-8-A THROUGH I-45-A
9	I-9-A THROUGH I-45-A
10	I-10-A THROUGH I-45-A
11	I-11-A THROUGH I-45-A
12	I-12-A THROUGH I-45-A
13	I-13-A THROUGH I-45-A
14	I-14-A THROUGH I-45-A
15	I-15-A THROUGH I-45-A
16	I-16-A THROUGH I-45-A
17	I-17-A THROUGH I-45-A
18	I-18-A THROUGH I-45-A
19	I-19-A THROUGH I-45-A
20	I-20-A THROUGH I-45-A
21	I-21-A THROUGH I-45-A
22	I-22-A THROUGH I-45-A
23	I-23-A THROUGH I-45-A
24	I-24-A THROUGH I-45-A
25	I-25-A THROUGH I-45-A
26	I-26-A THROUGH I-45-A
27	I-27-A THROUGH I-45-A
28	I-28-A THROUGH I-45-A
29	I-29-A THROUGH I-45-A
30	I-30-A THROUGH I-45-A
31	I-31-A THROUGH I-45-A
32	I-32-A THROUGH I-45-A
33	I-33-A THROUGH I-45-A
34	I-34-A THROUGH I-45-A
35	I-35-A THROUGH I-45-A
36	I-36-A THROUGH I-45-A
37	I-37-A THROUGH I-45-A
38	I-38-A THROUGH I-45-A
39	I-39-A THROUGH I-45-A
40	I-40-A THROUGH I-45-A
41	I-41-A THROUGH I-45-A
42	I-42-A THROUGH I-45-A
43	I-43-A THROUGH I-45-A
44	I-44-A THROUGH I-45-A
45	I-45-A
THEREAFTER	\$0.00

With respect to the Class IO Interest and any Distribution Date, an amount equal to the Uncertificated Notional Amount of the REMIC II Regular Interest IO. With respect to REMIC V Regular Interest IO, an amount equal to the Uncertificated Notional Amount of the Class IO Interest.

Uncertificated Pass-Through Rate: The Uncertificated REMIC I Pass-Through Rate or Uncertificated REMIC II Pass-Through Rate.

Uncertificated Principal Balance: The amount of REMIC Regular Interests and Class C Interest outstanding as of any date of determination. As of the Closing Date, the Uncertificated

Principal Balance of each REMIC Regular Interest and Class C Interest shall equal the amount set forth in the Preliminary Statement hereto as its initial uncertificated principal balance. On each Distribution Date, the Uncertificated Principal Balance of the REMIC Regular Interests shall be reduced by all distributions of principal made on such REMIC Regular Interests on such Distribution Date pursuant to Section 6.07 and, if and to the extent necessary and appropriate, shall be further reduced on such Distribution Date by Realized Losses as provided in Section 6.05, and the Uncertificated Principal Balance of REMIC II Regular Interest ZZ shall be increased by interest deferrals as provided in Section 6.07(c)(1)(ii). The Uncertificated Principal Balance of each REMIC Regular Interest and Class C Interest shall never be less than zero. With respect to the Class C Interest as of any date of determination, an amount equal to the excess, if any, of (A) the then aggregate Uncertificated Principal Balance of the REMIC II Regular Interests over (B) the then aggregate Certificate Principal Balance of the Class A, Class M and Class B Certificates then outstanding.

Uncertificated REMIC I Pass-Through Rate: With respect to each REMIC I Regular Interest ending with the designation "A" and any Distribution Date, a per annum rate equal to the weighted average Net Mortgage Rate of the Mortgage Loans multiplied by 2, subject to a maximum rate of 9.8930%. With respect to each REMIC I Regular Interest ending with the designation "B" and any Distribution Date, the greater of (x) a per annum rate equal to the excess, if any, of (1) 2 multiplied by the weighted average Net Mortgage Rate of the Mortgage Loans over (2) 9.8930% and (y) 0.00% per annum.

Uncertificated REMIC II Pass-Through Rate: With respect to REMIC II Regular Interest AA, each REMIC II Regular Interest for which a Class A, Class M or Class B Certificate is a Corresponding Certificate and REMIC II Regular Interest ZZ, and any Distribution Date, a per annum rate equal to the weighted average of (x) the Uncertificated REMIC I Pass-Through Rates for the REMIC I Regular Interests ending with the designation "B" for such Distribution Date and (y) the rates listed below for the REMIC I Regular Interests ending with the designation "A" for such Distribution Date, in each case weighted on the basis of the Uncertificated Principal Balances of each such REMIC I Regular Interest for such Distribution Date:

DISTRIBUTION DATE	REMIC I REGULAR INTEREST	RATE
1	I-1-A THROUGH I-45-A	2 MULTIPLIED BY SWAP LIBOR, SUBJECT TO A MAXIMUM RATE OF UNCERTIFICATED REMIC I PASS-THROUGH RATE
2	I-2-A THROUGH I-45-A	2 MULTIPLIED BY SWAP LIBOR, SUBJECT TO A MAXIMUM RATE OF UNCERTIFICATED REMIC I PASS-THROUGH RATE
3	I-1-A I-3-A THROUGH I-45-A	UNCERTIFICATED REMIC I PASS-THROUGH RATE 2 MULTIPLIED BY SWAP LIBOR, SUBJECT TO A MAXIMUM RATE OF UNCERTIFICATED REMIC I PASS-THROUGH RATE
4	I-1-A THROUGH I-2-A I-4-A THROUGH I-45-A	UNCERTIFICATED REMIC I PASS-THROUGH RATE 2 MULTIPLIED BY SWAP LIBOR, SUBJECT TO A MAXIMUM RATE OF UNCERTIFICATED REMIC I PASS-THROUGH RATE
5	I-1-A THROUGH I-3-A I-5-A THROUGH I-45-A	UNCERTIFICATED REMIC I PASS-THROUGH RATE 2 MULTIPLIED BY SWAP LIBOR, SUBJECT TO A MAXIMUM RATE OF UNCERTIFICATED REMIC I PASS-THROUGH RATE
6	I-1-A THROUGH I-4-A I-6-A THROUGH I-45-A	UNCERTIFICATED REMIC I PASS-THROUGH RATE 2 MULTIPLIED BY SWAP LIBOR, SUBJECT TO A MAXIMUM RATE OF UNCERTIFICATED REMIC I PASS-THROUGH RATE
7	I-1-A THROUGH I-5-A I-7-A THROUGH I-45-A	UNCERTIFICATED REMIC I PASS-THROUGH RATE 2 MULTIPLIED BY SWAP LIBOR, SUBJECT TO A MAXIMUM RATE OF UNCERTIFICATED REMIC I PASS-THROUGH RATE
8	I-1-A THROUGH I-6-A I-8-A THROUGH I-45-A	UNCERTIFICATED REMIC I PASS-THROUGH RATE 2 MULTIPLIED BY SWAP LIBOR, SUBJECT TO A MAXIMUM RATE OF UNCERTIFICATED REMIC I PASS-THROUGH RATE
9	I-1-A THROUGH I-7-A I-9-A THROUGH I-45-A	UNCERTIFICATED REMIC I PASS-THROUGH RATE 2 MULTIPLIED BY SWAP LIBOR, SUBJECT TO A MAXIMUM RATE OF UNCERTIFICATED REMIC I PASS-THROUGH RATE
10	I-1-A THROUGH I-8-A I-10-A THROUGH I-45-A	UNCERTIFICATED REMIC I PASS-THROUGH RATE 2 MULTIPLIED BY SWAP LIBOR, SUBJECT TO A MAXIMUM RATE OF UNCERTIFICATED REMIC I PASS-THROUGH RATE
11	I-1-A THROUGH I-9-A I-11-A THROUGH I-45-A	UNCERTIFICATED REMIC I PASS-THROUGH RATE 2 MULTIPLIED BY SWAP LIBOR, SUBJECT TO A MAXIMUM RATE OF UNCERTIFICATED REMIC I PASS-THROUGH RATE
12	I-1-A THROUGH I-10-A I-12-A THROUGH I-45-A	UNCERTIFICATED REMIC I PASS-THROUGH RATE 2 MULTIPLIED BY SWAP LIBOR, SUBJECT TO A MAXIMUM RATE OF UNCERTIFICATED REMIC I PASS-THROUGH RATE
13	I-1-A THROUGH I-11-A I-13-A THROUGH I-45-A	UNCERTIFICATED REMIC I PASS-THROUGH RATE 2 MULTIPLIED BY SWAP LIBOR, SUBJECT TO A MAXIMUM RATE OF UNCERTIFICATED REMIC I PASS-THROUGH RATE
14	I-1-A THROUGH I-12-A I-14-A THROUGH I-45-A	UNCERTIFICATED REMIC I PASS-THROUGH RATE 2 MULTIPLIED BY SWAP LIBOR, SUBJECT TO A MAXIMUM RATE OF UNCERTIFICATED REMIC I PASS-THROUGH RATE
15	I-1-A THROUGH I-13-A I-15-A THROUGH I-45-A	UNCERTIFICATED REMIC I PASS-THROUGH RATE 2 MULTIPLIED BY SWAP LIBOR, SUBJECT TO A MAXIMUM RATE OF UNCERTIFICATED REMIC I PASS-THROUGH RATE
16	I-1-A THROUGH I-14-A I-16-A THROUGH I-45-A	UNCERTIFICATED REMIC I PASS-THROUGH RATE 2 MULTIPLIED BY SWAP LIBOR, SUBJECT TO A MAXIMUM RATE OF UNCERTIFICATED REMIC I PASS-THROUGH RATE
17	I-1-A THROUGH I-15-A I-17-A THROUGH I-45-A	UNCERTIFICATED REMIC I PASS-THROUGH RATE 2 MULTIPLIED BY SWAP LIBOR, SUBJECT TO A MAXIMUM RATE OF UNCERTIFICATED REMIC I PASS-THROUGH RATE
18	I-1-A THROUGH I-16-A I-18-A THROUGH I-45-A	UNCERTIFICATED REMIC I PASS-THROUGH RATE 2 MULTIPLIED BY SWAP LIBOR, SUBJECT TO A MAXIMUM RATE OF UNCERTIFICATED REMIC I PASS-THROUGH RATE
19	I-1-A THROUGH I-17-A I-19-A THROUGH I-45-A	UNCERTIFICATED REMIC I PASS-THROUGH RATE 2 MULTIPLIED BY SWAP LIBOR, SUBJECT TO A MAXIMUM RATE OF UNCERTIFICATED REMIC I PASS-THROUGH RATE
20	I-1-A THROUGH I-18-A I-20-A THROUGH I-45-A	UNCERTIFICATED REMIC I PASS-THROUGH RATE 2 MULTIPLIED BY SWAP LIBOR, SUBJECT TO A MAXIMUM RATE OF UNCERTIFICATED REMIC I PASS-THROUGH RATE
21	I-1-A THROUGH I-19-A I-21-A THROUGH I-45-A	UNCERTIFICATED REMIC I PASS-THROUGH RATE 2 MULTIPLIED BY SWAP LIBOR, SUBJECT TO A MAXIMUM RATE OF UNCERTIFICATED REMIC I PASS-THROUGH RATE
22	I-1-A THROUGH I-20-A I-22-A THROUGH I-45-A	UNCERTIFICATED REMIC I PASS-THROUGH RATE 2 MULTIPLIED BY SWAP LIBOR, SUBJECT TO A MAXIMUM RATE OF UNCERTIFICATED REMIC I PASS-THROUGH RATE
23	I-1-A THROUGH I-21-A I-23-A THROUGH I-45-A	UNCERTIFICATED REMIC I PASS-THROUGH RATE 2 MULTIPLIED BY SWAP LIBOR, SUBJECT TO A MAXIMUM RATE OF UNCERTIFICATED REMIC I PASS-THROUGH RATE

THEREAFTER

With respect to REMIC II Regular Interest IO and any Distribution Date, a per annum rate equal to the excess, if any, of (x) the weighted average of the Uncertificated REMIC I Pass-Through Rates for the REMIC I Regular Interests ending with the designation "A" for such Distribution Date, over (y) the weighted average of 2 multiplied by Swap LIBOR on the REMIC I Regular Interests ending with the designation "A", subject to a maximum rate of the Uncertificated REMIC I Pass-Through Rate for each such REMIC I Regular Interest for such Distribution Date, in each case, weighted on the basis of the Uncertificated Principal Balances of each such REMIC I Regular Interest for such Distribution Date.

Unpaid Realized Loss Amount: With respect to the Class A Certificates and as to any Distribution Date is the excess of Applied Realized Loss Amounts with respect to such Class over the sum of all distributions in reduction of the Applied Realized Loss Amounts on all previous Distribution Dates. Any amounts distributed to the Class A Certificates in respect of any Unpaid Realized Loss Amount shall not be applied to reduce the Certificate Principal Balance of such Class.

Voting Rights: The portion of the voting rights of all the Certificates that is allocated to any Certificate for purposes of the voting provisions hereunder. Voting Rights shall be allocated (i) 92% to the Class A, Class M and Class B Certificates, (ii) 3% to the Class C Certificates until paid in full, (iii) 1% to each of the Class X, Class R-1, Class R-2, Class R-3 and Class RX Certificates, with the allocation among the Certificates (other than the Class X, Class C and Residual Certificates) to be in proportion to the Certificate Principal Balance of each Class relative to the Certificate Principal Balance of all other such Classes. Voting Rights will be allocated among the Certificates of each such Class in accordance with their respective Percentage Interests. The Certificate Insurer shall have the right to vote on behalf of the Class A-2 Certificates and Class A-3 Certificates for so long as there is no continuing Certificate Insurer Default.

Wells Fargo: Wells Fargo Bank, National Association, and any successor in interest.

Section 1.02 Allocation of Certain Interest Shortfalls.

For purposes of calculating the amount of Current Interest for the Class A, Class M, Class B and Class C Certificates for any Distribution Date, the aggregate amount of any Prepayment Interest Shortfalls (to the extent not covered by payments by the related Servicer pursuant to the related Servicing Agreement or the Master Servicer pursuant to Section 6.02) and any Relief Act Interest Shortfalls incurred in respect of the Mortgage Loans for any Distribution Date shall be allocated first, to the Class C Interest based on, and to the extent of, one month's interest at the then applicable Pass-Through Rate on the Uncertificated Notional Amount thereof, and thereafter, among the Class A, Class M and Class B Certificates, in each case on a *pro rata* basis based on, and to the extent of, one month's interest at the then applicable respective Pass-Through Rates on the respective Certificate Principal Balances of each such Certificate.

For purposes of calculating the amount of Uncertificated Accrued Interest for the REMIC I Regular Interests for any Distribution Date, the aggregate amount of any Prepayment Interest Shortfalls (to the extent not covered by payments by the related Servicer pursuant to the related Servicing Agreement or the Master Servicer pursuant to Section 6.02) and any Relief Act

Interest Shortfalls incurred in respect of the Mortgage Loans for any Distribution Date shall be allocated first, to REMIC Regular Interests ending with the designation “B”, *pro rata*, based on, and to the extent of, one month’s interest at the then applicable respective Uncertificated REMIC I Pass-Through Rates on the respective Uncertificated Principal Balances of each such REMIC I Regular Interest, and then, to REMIC I Regular Interests ending with the designation “A”, *pro rata*, based on, and to the extent of, one month’s interest at the then applicable respective Uncertificated REMIC I Pass-Through Rates on the respective Uncertificated Principal Balances of each such REMIC I Regular Interest.

For purposes of calculating the amount of Uncertificated Accrued Interest for the REMIC II Regular Interests (other than REMIC II Regular Interest IO) for any Distribution Date, the aggregate amount of any Prepayment Interest Shortfalls (to the extent not covered by payments by the Master Servicer pursuant to Section 6.02) and any Relief Act Interest Shortfalls incurred in respect of the Mortgage Loans for any Distribution Date shall be allocated first, to Uncertificated Accrued Interest payable to REMIC II Regular Interest AA and REMIC II Regular Interest ZZ up to an aggregate amount equal to the REMIC II Interest Loss Allocation Amount, 98% and 2%, respectively, and thereafter, among REMIC II Regular Interest AA, each REMIC II Regular Interest for which a Class A, Class M or Class B Certificate is a Corresponding Certificate and REMIC II Regular Interest ZZ, *pro rata*, based on, and to the extent of, one month’s interest at the then applicable respective Uncertificated REMIC II Pass-Through Rates on the respective Uncertificated Principal Balances of each such REMIC II Regular Interest.

ARTICLE II

CONVEYANCE OF TRUST FUND REPRESENTATIONS AND WARRANTIES

Section 2.01 Conveyance of Trust Fund.

Pursuant to the Mortgage Loan Purchase Agreement, the Seller sold, transferred, assigned, set over and otherwise conveyed to the Depositor, without recourse, all the right, title and interest of the Seller in and to the assets sold by it in the Trust Fund.

The Seller has entered into this Agreement in consideration for the purchase of the Mortgage Loans by the Depositor pursuant to the Mortgage Loan Purchase Agreement and has agreed to take the actions specified herein.

The Depositor, concurrently with the execution and delivery hereof, hereby sells, transfers, assigns, sets over and otherwise conveys to the Trustee for the use and benefit of the Certificateholders and the Certificate Insurer, without recourse, all the right, title and interest of the Depositor in and to the Trust Fund. In addition, on or prior to the Closing Date, the Depositor shall cause the Certificate Insurer to deliver the Policy to the Securities Administrator.

In connection with such sale, the Depositor has delivered to, and deposited with, or caused to be delivered to and deposited with, the Trustee or the Custodian, as its agent, the following documents or instruments with respect to each Mortgage Loan so assigned: (i) the original Mortgage Note, including any riders thereto, endorsed without recourse (A) in blank or to order of "Citibank, N.A., as Trustee for Certificateholders of Bear Stearns Second Lien Trust 2007-SV1, Mortgage-Backed Certificates, Series 2007-SV1," or (B) in the case of a loan registered on the MERS system, in blank and showing an unbroken chain of endorsements from the original payee thereof to the Person endorsing it to the Trustee, (ii) the original Mortgage and, if the related Mortgage Loan is a MOM Loan, noting the presence of the MIN and language indicating that such Mortgage Loan is a MOM Loan, which shall have been recorded (or, for Mortgage Loans, if the original is not available, a copy), with evidence of such recording indicated thereon (or if clause (x) in the proviso below applies, shall be in recordable form), (iii) unless the Mortgage Loan is either a MOM Loan or has been assigned in the name of MERS®, the assignment (either an original or a copy, which may be in the form of a blanket assignment if permitted in the jurisdiction in which the Mortgaged Property is located) to the Trustee of the Mortgage with respect to each Mortgage Loan in the name of "Citibank, N.A., as Trustee for Certificateholders of Bear Stearns Second Lien Trust 2007-SV1, Mortgage-Backed Certificates, Series 2007-SV1," which shall have been recorded (or if clause (x) in the proviso below applies, shall be in recordable form), (iv) an original or a copy of all intervening assignments of the Mortgage, if any, with evidence of recording thereon, (v) except in the case where only title searches were conducted on the related Mortgaged Property, the original mortgagee policy of title insurance, including riders and endorsements thereto, or if the policy has not yet been issued, (a) a written commitment or interim binder for title issued by the title insurance or escrow company dated as of the date the related Mortgage Loan was funded, with a statement by the title insurance company, or closing attorney that the priority of the lien of the related Mortgage during the period between the date of the funding of the related Mortgage Loan and the date of

the related title policy (which title policy shall be dated the date of recording of the related Mortgage) is insured or (b) a preliminary title report issued by a title insurer in anticipation of issuing a title insurance policy which evidences existing liens and gives a preliminary opinion as to the absence of any encumbrance on title to the Mortgaged Property, except liens to be removed on or before purchase by the Mortgagor or which constitute customary exceptions acceptable to lenders generally, and (vi) originals or copies of all available assumption, modification or substitution agreements, if any; provided, however, that in lieu of the foregoing, the Seller may deliver the following documents, under the circumstances set forth below: (x) in lieu of the original Mortgage, assignment thereof to the Trustee or intervening assignments thereof have been delivered or are being delivered to recording offices for recording and have not been returned in time to permit their delivery as specified above, the Depositor may deliver, or cause to be delivered, a true copy thereof with a certification by such Seller or the title company issuing the commitment for title insurance, on the face of such copy, substantially as follows: "Certified to be a true and correct copy of the original, which has been transmitted for recording"; (y) in lieu of the original Mortgage, assignment to the Trustee or in blank or intervening assignments thereof, if the applicable jurisdiction retains the originals of such documents (as evidenced by a certification from the Depositor to such effect) the Depositor may deliver, or cause to be delivered, photocopies of such documents containing an original certification by the judicial or other governmental authority of the jurisdiction where such documents were recorded; and (z) in lieu of the Mortgage Notes relating to the Mortgage Loans identified in the list set forth in Exhibit I, the Depositor may deliver, or cause to be delivered, a lost note affidavit and indemnity and a copy of the original note, if available; and provided, further, however, that in the case of Mortgage Loans which have been prepaid in full after the Cut-off Date and prior to the Closing Date, the Depositor, in lieu of delivering the above documents, may deliver, or cause to be delivered, to the Trustee and the Custodian a certification of a Servicing Officer to such effect and in such case shall deposit all amounts paid in respect of such Mortgage Loans, in the Distribution Account on the Closing Date. In the case of the documents referred to in clause (x) above, the Depositor shall deliver, or cause to be delivered, such documents to the Trustee or the Custodian promptly after they are received. The Seller shall cause, at its expense, the Mortgage and intervening assignments, if any, and to the extent required in accordance with the foregoing, the assignment of the Mortgage to the Trustee to be submitted for recording promptly after the Closing Date; provided that the Seller need not cause to be recorded (a) any assignment in any jurisdiction under the laws of which, as evidenced by an Opinion of Counsel addressed to the Trustee delivered by the Seller to the Trustee, the Custodian, the Certificate Insurer and each Rating Agency, the recordation of such assignment is not necessary to protect the Trustee's interest in the related Mortgage Loan or (b) if MERS is identified on the Mortgage or on a properly recorded assignment of the Mortgage as the mortgagee of record solely as nominee for the Seller and its successors and assigns. In the event that either Seller, the Depositor or the Master Servicer or the Securities Administrator gives written notice to the Trustee that a court has recharacterized the sale of the Mortgage Loans as a financing, the Seller shall submit or cause to be submitted for recording as specified above each such previously unrecorded assignment to be submitted for recording as specified above at the expense of the Trust. In the event a Mortgage File is released to the related Servicer as a result of such Person having completed a Request for Release, the Custodian shall, if not so completed, complete the assignment of the related Mortgage in the manner specified in clause (iii) above.

In connection with the assignment of any Mortgage Loan registered on the MERS® System, the Seller further agrees that it will cause, at the Seller's own expense, within 30 days after the Closing Date, the MERS® System to indicate that such Mortgage Loans have been assigned by the Seller to the Depositor and by the Depositor to the Trustee in accordance with this Agreement for the benefit of the Certificateholders and the Certificate Insurer by including (or deleting, in the case of Mortgage Loans which are repurchased in accordance with this Agreement) in such computer files (a) the code in the field which identifies the specific Trustee and (b) the code in the field "Pool Field" which identifies the series of the Certificates issued in connection with such Mortgage Loans. The Seller further agrees that it will not, and will not permit the Master Servicer to, and the Master Servicer agrees that it will not, alter the codes referenced in this paragraph with respect to any Mortgage Loan during the term of this Agreement unless and until such Mortgage Loan is repurchased in accordance with the terms of this Agreement or the Mortgage Loan Purchase Agreement.

All original documents relating to the Mortgage Loans that are not delivered to the Trustee or the Custodian on its behalf are and shall be held by or on behalf of the Seller or the Depositor, as the case may be, in trust for the benefit of the Trustee on behalf of the Certificateholders and the Certificate Insurer. Any such original document delivered to or held by the Depositor, shall be delivered promptly to the Custodian on the Trustee's behalf.

Whenever it is provided for in this Agreement that any document, evidence or information relating to a Mortgage Loan to be included in a Mortgage File be delivered or supplied to the Trustee, such delivery or supply shall be made to the Custodian pursuant to the Custodial Agreement.

Section 2.02 Acceptance of the Mortgage Loans.

(a) Based on the Initial Certification received by it from the Custodian, the Trustee acknowledges receipt of, subject to the further review and exceptions reported by the Custodian pursuant to the procedures described below, the documents (or certified copies thereof) delivered to the Trustee or the Custodian on its behalf pursuant to Section 2.01 and declares that it holds and will continue to hold directly or through a custodian those documents and any amendments, replacements or supplements thereto and all other assets of the Trust Fund delivered to it in trust for the use and benefit of all present and future Holders of the Certificates and the Certificate Insurer. On the Closing Date, the Trustee or the Custodian on its behalf will deliver one or more Initial Certifications, each in the form of Exhibit One to the Custodial Agreement, to the parties indicated on such exhibit confirming whether or not it has received the Mortgage File for each Mortgage Loan, but without review of such Mortgage File, except to the extent necessary to confirm whether such Mortgage File contains the original Mortgage Note or a lost note affidavit and indemnity in lieu thereof. No later than 90 days after the Closing Date, the Trustee or the Custodian on its behalf shall, for the benefit of the Certificateholders and the Certificate Insurer, review each Mortgage File delivered to it and execute and deliver to the Seller and the Master Servicer, the Certificate Insurer and, if reviewed by the Custodian, to the Trustee, one or more Interim Certifications, each substantially in the form of Exhibit Two to the Custodial Agreement. In conducting such review, the Trustee or the Custodian on its behalf will ascertain whether all required documents have been executed and received and whether those documents relate, determined

on the basis of the Mortgagor name, original principal balance and loan number, to the Mortgage Loans identified in Exhibit B to this Agreement, as supplemented (provided, however, that with respect to those documents described in subclauses (iv) and (vi) of Section 2.01, such obligations shall extend only to documents actually delivered pursuant to such subclauses). In performing any such review, the Trustee and the Custodian may conclusively rely on the purported due execution and genuineness of any such document and on the purported genuineness of any signature thereon. If the Trustee or the Custodian on its behalf finds any document constituting part of the Mortgage File not to have been executed or received, or to be unrelated to the Mortgage Loans identified in Exhibit B or to appear to be defective on its face, the Trustee or the Custodian on its behalf shall include such information in the exception report attached to the Interim Certification. The Seller shall correct or cure any such defect or, if prior to the end of the second anniversary of the Closing Date, the Seller may substitute for the related Mortgage Loan a Replacement Mortgage Loan, which substitution shall be accomplished in the manner and subject to the conditions set forth in Section 2.03 or shall deliver to the Securities Administrator, the Trustee and the Certificate Insurer an Opinion of Counsel addressed to the Trustee (such determination to be made without regard to the Policy) to the effect that such defect does not materially or adversely affect the interests of the Certificateholders in such Mortgage Loan within 90 days from the date of notice from the Trustee of the defect and if the Seller fails to correct or cure the defect or deliver such opinion within such period, the Seller will, subject to Section 2.03, purchase such Mortgage Loan at the Purchase Price; provided, however, that if such defect relates solely to the inability of the Seller to deliver the Mortgage, assignment thereof to the Trustee, or intervening assignments thereof with evidence of recording thereon because such documents have been submitted for recording and have not been returned by the applicable jurisdiction, the Seller shall not be required to purchase such Mortgage Loan if the Seller delivers such documents promptly upon receipt, but in no event later than 360 days after the Closing Date.

(b) No later than 180 days after the Closing Date, the Trustee or the Custodian on its behalf will review, for the benefit of the Certificateholders and the Certificate Insurer, the Mortgage Files and will execute and deliver or cause to be executed and delivered to the Seller, and the Master Servicer and, if reviewed by the Custodian, to the Trustee, one or more Final Certifications, each substantially in the form of Exhibit Three to the Custodial Agreement. In conducting such review, the Trustee or the Custodian on its behalf will ascertain whether each document required to be recorded has been returned from the recording office with evidence of recording thereon and the Trustee or the Custodian on its behalf has received either an original or a copy thereof, as required in Section 2.01 (provided, however, that with respect to those documents described in subclauses (iv) and (vi) of Section 2.01, such obligations shall extend only to documents actually delivered pursuant to such subclauses). If the Trustee or the Custodian on its behalf finds any document with respect to a Mortgage Loan has not been received, or to be unrelated, determined on the basis of the Mortgagor name, original principal balance and loan number, to the Mortgage Loans identified in Exhibit B or to appear defective on its face, the Trustee or the Custodian on its behalf shall note such defect in the exception report attached to the Final Certification and shall promptly notify the Seller. The Seller shall correct or cure any such defect or, if prior to the end of the second anniversary of the Closing Date, the Seller may substitute for the related Mortgage Loan a Replacement Mortgage Loan, which substitution shall be accomplished in the manner and subject to the

conditions set forth in Section 2.03 or shall deliver to the Trustee, the Securities Administrator and the Certificate Insurer an Opinion of Counsel addressed to the Trustee and the Securities Administrator to the effect that such defect does not materially or adversely affect the interests of Certificateholders in such Mortgage Loan (such determination to be made without regard to the Policy) within 90 days from the date of notice from the Trustee of the defect and if the Seller is unable within such period to correct or cure such defect, or to substitute the related Mortgage Loan with a Replacement Mortgage Loan or to deliver such opinion, the Seller shall, subject to Section 2.03, purchase such Mortgage Loan at the Purchase Price; provided, however, that if such defect relates solely to the inability of the Seller to deliver the Mortgage, assignment thereof to the Trustee or intervening assignments thereof with evidence of recording thereon, because such documents have not been returned by the applicable jurisdiction, the Seller shall not be required to purchase such Mortgage Loan, if the Seller delivers such documents promptly upon receipt, but in no event later than 360 days after the Closing Date. Notwithstanding anything to the contrary, the Trustee shall have no responsibility with respect to the custody or review of Mortgage Files, all of which shall be performed by the Custodian pursuant to the Custodial Agreement, and the Trustee is hereby authorized and directed to enter into the Custodial Agreement. Performance by the Custodian of its obligations under the Custodial Agreement shall satisfy all responsibilities for custody and review of Mortgage Files hereunder. The Trustee shall have no liability for the failure of the Custodian to perform its obligations under the Custodial Agreement.

(c) In the event that a Mortgage Loan is repurchased by the Seller in accordance with subsections 2.02(a) or (b) above or Section 2.03, the Seller shall remit the applicable Purchase Price to the Securities Administrator for deposit in the Distribution Account and shall provide written notice to the Securities Administrator, the Trustee and, so long as no Certificate Insurer Default exists, the Certificate Insurer detailing the components of the Purchase Price, signed by a Servicing Officer. Upon deposit of the Purchase Price in the Distribution Account and upon receipt of a Request for Release with respect to such Mortgage Loan, the Custodian will release to the Seller the related Mortgage File and the Trustee shall execute and deliver all instruments of transfer or assignment, without recourse, representation or warranty furnished to it by the Seller, as are necessary to vest in the Seller title to and rights under the Mortgage Loan. Such purchase shall be deemed to have occurred on the date on which the deposit into the Distribution Account was made. The Securities Administrator shall promptly use its best efforts to notify each Rating Agency and, so long as no Certificate Insurer Default exists, the Certificate Insurer of such repurchase in accordance with Section 12.05. The obligation of the Seller to cure, repurchase or substitute for any Mortgage Loan as to which a defect in a constituent document exists shall be the sole remedies respecting such defect available to the Certificateholders, the Certificate Insurer or to the Trustee on their behalf.

(d) The Seller shall deliver to the Trustee or the Custodian on its behalf, and Trustee agrees to accept the Mortgage Note and other documents constituting the Mortgage File with respect to any Replacement Mortgage Loan, which the Trustee or the Custodian will review as provided in subsections 2.02(a) and 2.02(b), provided, that the Closing Date referred to therein shall instead be the date of delivery of the Mortgage File with respect to each Replacement Mortgage Loan.